

LEWIS
AND
ROCA
LLP
LAWYERS

Phoenix Office
40 North Central Avenue
Phoenix, Arizona 85004-4429
Facsimile (602) 262-5747
Telephone (602) 262-5311

Michael L. Denby
Direct Dial: (602) 262-5383
Direct Fax: (602) 734-3755
Internet: MDenby@lrlaw.com
Admitted in Arizona



Tucs 0000039383
One South Central Avenue
Suite 700
Tucson, Arizona 85701-1611
Facsimile (520) 622-3088
Telephone (520) 622-2090

3333 Howard Hughes Parkway
Suite 600
Las Vegas, Nevada 89109
Facsimile (702) 949-8398
Telephone (702) 949-8200

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2002 MAR -8 P 4: 45

AZ CORP COMMISSION
DOCUMENT CONTROL
Our File Number 40123-00001

March 8, 2002

VIA HAND DELIVERY

Ms. Nancy Cole, Supervisor
Docket Control
Arizona Corporation Commission
1200 West Washington
Phoenix, Arizona 85007

Arizona Corporation Commission
DOCKETED

MAR 08 2002

DOCKETED BY	
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Re: Docket Nos. SW-04002A-01-0228 and WS-02987A-01-0295, In the
Matter of the Application of Arizona Utility Supply and Service.

Dear Ms. Cole:

On March 1, 2002 your office received a letter from Jeffrey Crockett ("AUSS Letter") regarding compliance of AUSS with Finding of Fact ("FOF") 77 of Corporation Commission Decision No. 64288. We are sending this letter to correct material omissions in the AUSS Letter.

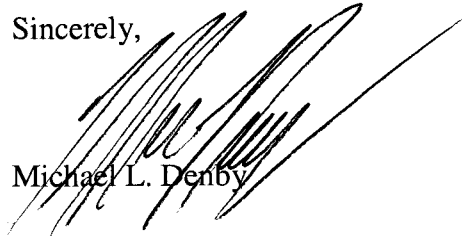
The AUSS Letter includes copies of certain excerpts from the Central Arizona Association of Governments ("CAAG") 208 Areawide Water Quality Management Plan. In particular, the excerpts appear to state that the Links wastewater treatment facility has a capacity of 750,000 gpd expandable to 1.5 MGD. AUSS appears to be using this number along with ADEQ's February 15, 2002 letter as a basis to claim compliance with FOF 77.

Please be advised that CAAG, the party charged with maintaining the 208 Areawide Water Quality Management Plan has take two recent actions that directly contradict the assertions made in the AUSS Letter and will likely require reconsideration of the issue by ADEQ. First, on January 23, 2002 the CAAG Regional Council voted to deny the AUSS 208 plan amendments that would have enable AUSS to meet FOF 77. Additionally, in reaction to the apparent reliance by AUSS on what was determined to be a typographical error in the 1994 208 Plan, CAAG Regional Council met on February 27, 2002 and unanimously voted to correct the misplaced decimal place. Accordingly, rather than .75 MGD, the 208 Plan now is corrected to read .075MGD.

I have attached ten copies of the following documents which should help to correct the material omissions: 1) minutes from the January 23, 2002 CAAG Regional Council meeting. 2) the letter from CAAG to ADEQ on February 28, 2002 informing ADEQ of the corrected typographical error along with the documents CAAG used to make that determination; 3) a copy of a March 7, 2002 letter to ADEQ setting forth concerns about the factual inaccuracies of the February 15, 2002 ADEQ letter from Michael Traubert to Maurice Lee, Manager, AUSS.

Please file this letter and the enclosures in the above-captioned docket.

Sincerely,



Michael L. Denby

MLD/mld

Attachments

cc: Marc Stern, Administrative Law Judge
Jim Fisher, Executive Consultant, Utility Division
Pat Williams, Manager, Compliance and Enforcement, Utilities Division
Jeffery Crockett, Snell & Wilmer

CENTRAL ARIZONA ASSOCIATION OF GOVERNMENTS

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1-800-782-1445

TDD:
(520) 689-5009

FAX:
(520) 689-5020

Regional Council Meeting
Wednesday, January 23, 2002 - 6:30 p.m. ①
Casa Grande City Council Chambers
510 E. Florence Blvd.
Casa Grande, Arizona

REVISED AGENDA

- I. **CALL TO ORDER** - Chair Joe Sanchez
- II. **PLEDGE OF ALLEGIANCE**
- III. **ROLL CALL & INTRODUCTION OF GUESTS**
- IV. **Recognition of Guests: Mayor Kene Hawker, City of Mesa and Jim Bowney, MAO Execut Director**
- V. **CONSENT ITEMS:** **P-F-T
All items indicated by an asterisk (*) on the left will be handled by a single vote as part of the consent agenda, unless a Councilmember or the Executive Director objects at the time of this vote. (Reports & updates on the consent agenda may be accepted as written without verbal presentation.)
Review, discussion, and possible action
- * VI. **APPROVAL OF MINUTES** — November 28, 2001 **P-F-
Review, discussion, and possible action
- * VII. **FINANCIAL REPORT** — Yvonne Kube **P-F-
Review, discussion, and possible action
- VIII. **DIRECTOR'S REPORT** - Maxine Leather
- IX. **OLD BUSINESS - Regional Council**
 - A. Amendment to CAAG 208 Water Quality Plan Amendment for Arizona Utility Supply Services, LLC Wastewater Treatment Facilities, Pinal County, Arizona **P-F-
Review, discussion, and possible action
 - B. Approval of FY 2002 Method of Distribution-Gail Florez **P-F-T
Review, discussion, and possible action
- X. **NEW BUSINESS - Regional Council**
 - A. CAAG 208 Water Quality Amendment NO. 2 for Arizona Utility Supply and Services, LLC Wastewater Treatment Facilities Cambria/Castlegate WWTF Pass Utility- Maxine Leather **P-F-T
Review, discussion, and possible action
 - * B. Transportation Planning Update - Brent Billingsley Info.
 - C. Revised Budget Including Consideration of Staff Merit Increase - Maxine Leather **P-F-T
Review, discussion, and possible action
 - D. Proposed Bonus for Job Training Staff - Maxine Leather **P-F-T
Review, discussion, and possible action

GILA-PINAL
COUNTIES



REGION V

GILA COUNTY

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- ① The City of Casa Grande will be providing dinner for invited guests, Regional Council, Management Committee, and staff during the meeting.
- * Handled by a single vote as part of the consent agenda
- ** P-F-T denotes that the Regional Council may choose to pass, fail or table the item

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X. NEW BUSINESS-Economic Development

*A. Community Planning and Economic Development Update

Info.

XI. LEGISLATIVE UPDATE - CAAG Staff

XII. DATE - TIME - LOCATION of the Next Meeting

March 27, 2001 — Hosted by the City of Globe

XIII. CALL TO THE PUBLIC

XIV. ADJOURNMENT



Approved by

GILA-PINAL
COUNTIES



REGION V

THIS FACILITY DOES NOT FULLY ACCOMMODATE PERSONS WITH DISABILITIES, HOWEVER, PERSONS WITH DISABILITIES REQUIRING ACCOMMODATION MAY CONTACT GAIL FLOREZ, CENTRAL ARIZONA ASSOCIATION OF GOVERNMENTS, (520) 689-5004, (800) 782-1445 V/TDD, (520) 689-5009 TDD. IF POSSIBLE, SUCH REQUESTS SHOULD BE MADE 72 HOURS IN ADVANCE.

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The following is a certified copy of a portion of the draft minutes of Central Arizona Association of Governments' (CAAGs') Regular Meeting of the Regional Council held on Wednesday, January 23, 2002 at 6:30 PM. The meeting was held at the Casa Grande City Hall located in Casa Grande Arizona.

Members Present: Supervisor Joe Sanchez, Mayor Elias Garcia, Council Member Byron Jackson, Vice-Mayor Anita Hinojos, Mayor Douglas Coleman, Mayor Charles Walton, Vice-Mayor Paul Prechel, Vice-Mayor Dick Wolfe, Council Member Bill Heath, Mayor Stanley Gibson, Mayor Patsy Williams, Mayor Debra Sommers, Mr. John Schulz (EDD)

Members Absent: Mayor Jose Aranda, Supervisor Lionel Ruiz, Mayor Bart Goff, Mayor John Mendibles, Ms. Lori Gary (EDD), Ms. Jeri Byrne (EDD)

Management Committee Members Present: Robert Maldonado, Delbert Self, Roy Chavez, Ken Buchanan, John Geib, Gary Eide, Kelly Udall, Curtis Shook

Guests Present: Chris Gillespie, Jan Langer, Ray DalZoft, Dick Schaner, Scott Simonton, Maurice Lee, Jeff Crockett, Wendy Kasserman, Kris Randall, LC Taunt, Edwina Vogan, Michael Denby, Janet Gibson, Ron Smith, Sean Lake

Staff Present: Garye Vasquez, Maxine Leather, Gail Florez, Yvonne Kube, Corina Espinoza, Robin Bennett, Larry Villalobos, Craig Ringer, Brent Billingsely, Joan Cooper-Stevenson, Kim Benner, Mila Besich-Lira

VIII. OLD BUSINESS - Regional Council

A. Amendment to CAAG 208 Water Quality Plan for Arizona Utility Supply Services, LLC Wastewater Treatment Facilities, Pinal County, Arizona - Maxine L. Leather

Chair Sanchez explained to the Region Council that he would like to discuss this agenda item and IX-A together, with separate votes on each item. The Council agreed.

IX. NEW BUSINESS

A. CAAG 208 Water Quality Amendment No. 2 for Arizona Utility Supply and Services, LLC Wastewater Treatment Facilities Cambria/Castlegate - Maxine L. Leather

Chair Sanchez requested that Ms. Leather address these two agenda items. Ms. Leather

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REGION V

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reviewed the process for both amendments including important dates for each.

Chair Sanchez thanked Ms. Leather and asked Council Members for questions or comments. Being none, the Chair entertained comments from the audience. Those speaking in favor of the two proposed amendments were: Jeff Crockett, Attorney for Snell and Wilmer; Sean Lake, Attorney for Woodside Homes; Jan Langer, Superintendent of JL Combs School District; John Paulson, Providence Homes; and Scott Simonton, Summer Ridge.

Linda Taunt, ADEQ, spoke regarding regulations to clarify information and offered the suggestion that the process go forward with conditions for regionalization.

Stan Griffis, Pinal County Manager, spoke to the Regional Council and requested that both proposed amendments be denied by Region Council. He spoke on behalf of the Pinal County Board of Supervisors.

Discussion followed with questions to the speakers.

Mayor Walton made a motion to deny Arizona Utilities Supply and Services (AUSS) proposed 208 Plan amendment under agenda item VIII. A. The motion was seconded by Vice-Mayor Prechel. The vote was taken by hand count. The motion passed to deny the amendment with six in favor of the motion and five opposed to the motion.

A second motion was made by Mayor Walton to deny AUSS proposed 208 Plan amendment under agenda item IX.A. Vice-Mayor Prechel seconded the motion. The vote was taken by a hand count. The motion passed to deny the amendment with six in favor of the motion and five opposed.



Maxine L. Leather
Executive Director

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(520) 689-5004

TOLL-FREE & V/TTY:
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(520) 689-5020

February 28, 2002

Karen L. Smith, Director
Water Quality Division
Arizona Department of Environmental Quality
3033 North Central Avenue
Phoenix, Arizona 85012

GILA-PINAL
COUNTIES



REGION V

RE: CAAGs' Areawide Water Quality Management Plan Update ("Plan Update")

Dear Ms. Smith:

Thank you for your letter of February 26, 2002, concerning the Plan Update provision regarding the capacity of the Links Wastewater Treatment Plant ("WWTP"). I have been authorized by CAAGs' Regional Council to notify you of the formal action the Council has taken to resolve the issue.

The Regional Council has determined that the provision, did in fact contain a typographical error. This determination followed a thorough investigation of the issue, which included a review of the historic documentation concerning the WWTP at the time the Plan Update was drafted in 1994. These documents included:

- 1) A memo dated February 26, 2002 from myself to Regional Council,
- 2) Your correspondence dated February 26, 2002
- 3) Michael J. Traubert, ADEQ, correspondence dated February 15, 2002
- 4) A fax from Mr. Lee dated December 6, 2001 with attachments of:
 - a) American Engineering Company Summary for the Links Estates Sewage Treatment Plant,
 - b) A map of the Links Phase II
 - c) Correspondence dated November 28, 2001 from RBF

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- Consulting (Scott Marvin Larson, P.E.),
- d) Correspondence from me to Mr. Lee dated April 19, 2001, and
 - e) A copy of page 143 from the CAAG Plan Update which includes the paragraph on the Links WWTP.
- 5) Pages 3 and 4 from Amendment No. 2 for Arizona Utility Supply & Service, LLC Wastewater Treatment Facilities - Cambria/Castlegate WWTF dated October 29, 2001 (denied by Regional Council),
 - 6) Notice of the Preliminary Decision to Issue an Individual Aquifer Protection Permit dated on or about (ADEQ's wording) April 19, 1995 and received by CAAG on May 11, 1995 (CAAGs' date stamp),
 - 7) ADEQ correspondence dated April 14, 1995 regarding The Links Estates WWTP Draft Aquifer Protection Permit and transmitting the draft review information and executive summary for Aquifer Protection Permit No. P-102976, and
 - 8) A fax received from Santec Corporation and documents dated 10/26/94.

I have enclosed these documents for your convenience along with the Regional Council agenda and draft minutes from the meeting held February 27, 2002.

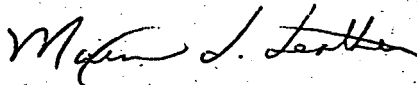
At the special meeting held February 27, 2002, the Regional Council voted unanimously to correct the typographical error in CAAGs' 1994 208 Areawide Water Quality Management Plan Update provision regarding the Links at Ocotillo and Vinyard Roads by correcting Page 143, Chapter 5, Point Source Management, 5.2.2, Package Wastewater Treatment Plants, third paragraph, to read as follows:

"The Links at Ocotillo and Vinyard Roads, a planned manufactured housing community south of Apache Junction, is scheduled to begin construction of a package WWTP in December 1994 with a ~~75-MGD~~ *75,000 gpd* capacity with the first anticipated phase capacity increase of ~~75-MGD~~ *75,000 gpd* in February of 1996. Pinal County is in the preliminary planning and engineering stages for expansion."

(Deletions are indicated by ~~strikeout~~: Additions are indicated by *italics*.)

The Regional Council is keenly aware of CAAGs' role in the 208 Planning process, and shares your concern about implementing a regional solution and approach. The action taken by the Council does not reduce the capacity of the Links WWTP, but merely serves to correct the Plan Update to accurately reflect the capacity of the WWTP as it was intended in 1994.

Sincerely,



Maxine L. Leather
Executive Director

cc: Jacqueline E. Schafer, Director, ADEQ
Alexis Strauss, Director, Water Division, EPA Region IX
Michele Robertson, Manager, Water Permits, ADEQ
Linda Taunt, Manager, Hydrologic Support and Assessment, ADEQ
Mike Traubert, Manager, Water Quality Compliance, ADEQ

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MEMO TO: Regional Council

MEMO FROM: Maxine L. Leather

DATE: February 26, 2002

RE: The Links WWTP and CAAGs' 208 Plan Update

PROBLEM: The 1994 208 Plan Update has a typographical error relating to the Links, a mobile home subdivision now a part of Cambria

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REGION V

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Portion of 208 Plan Update in Question: Page 143, Chapter 5, Point Source Management, 5.2.2, Package Wastewater Treatment Plants; Third Paragraph:

"The Links at Ocotillo and Vineyard Roads, a planned manufactured housing community south of Apache Junction, is scheduled to begin construction of a package WWTP IN December 1994 with a .75 MGD capacity with the first anticipated phase capacity increase of .75 MGD in February of 1996. Pinal County is in the preliminary planning and engineering stages for expansion."

Typo: .75 MGD should be .075 MGD

Reason for Special Meeting: For CAAG and CAAGs' attorney to receive direction on how to proceed.

Enclosed are documents relating to the Links Wastewater Treatment Plant (WWTP). The Links is a mobile home subdivision that approached ADEQ in approximately June 1994 regarding their project for around 400 mobile home lots and a 75,000 gallon per day (.075 MGD) plant. CAAG was in the final draft stages of the 208 Plan Update (September 1994). We had been working with Linda Taunt, ADEQ who toward the end of our process went back to school to become an engineer, and Matthew Moore took her place. Linda later came back to work at ADEQ in the permitting department. Matthew called me late on a Friday in July 1994 that he had reviewed the CAAG draft 208 Update and had some revisions and also the addition of the Links. He said we would add a paragraph on the Links and then CAAG would not have to go through the 208 amendment process as the Links would be included in the Update. Matthew Federal Expressed the revisions to my home in Gilbert. I expected them to be minor, however, they were not. It took me the three day week-end over the Fourth of July holiday to incorporate the additions/corrections/changes he required. I remember that I needed to have them completed by July 5th for his final review so CAAG could meet their Public Hearing dates.

During this same time, around July 1994, the project consultant or developer of the Links

came by the CAAG offices, then in Florence, and showed me maps and renderings of the Links. The WWTP was to serve the Links only and the first phase would be for the 75,000 gpd with the ability to increase that capacity to 150,000 gpd.

As you can see, there is a typographical error in the CAAG Plan Update on page 143, under Section 5.2.2 the third paragraph, we list the Links at .75 Million Gallons per Day (MGD) instead of .075 MGD. CAAG received no back-up documentation on the Links. I believe, Matthew took the information from plans/documents ADEQ had received.

Now, Arizona Utility Supply & Services, LLC (AUSS) is saying they can expand the current 75,000 gpd plant to 1.5 MGD and the 208 Plan amendment process has been satisfied (due to the typographical error). I discussed this awhile ago with Mr. Lee of AUSS, in fact I was on the phone with him when I ran the figures and discovered the error. At that time he verbally agreed that it was a typo. Of course now it is to his advantage to ignore this and is holding it over Pinal County that AUSS has the 208 approval for a 1.5 MGD plant. AUSS has also convinced ADEQ that he has the authority to proceed and has a letter from ADEQ stating this. (See letter from ADEQ dated February 15, 2002.)

I have had several discussions with staff at ADEQ, in both the 208 Water Quality Section and Permitting, and the staff in both departments supported that CAAGs' Plan Update has a typo. The ADEQ Aquifer Protection Permitting (APP) process paperwork supports that an error was made in CAAGs' Plan Update and also the plant that was constructed there now is 75,000 gpd. I also understand that a supervisor of the staff that I talked to at ADEQ has overridden the idea of this being a typo and the February 15, 2002 letter was issued to AUSS from ADEQ.

Matthew Moore was located by AUSS attorneys and is working for the Department of Transportation in Boise, Idaho. He called me on Friday, January 25, 2002 and stated that he had been contacted by a group of attorneys in Arizona questioning the Links. He told me he had his old notes and that they were the same as what is in CAAGs' 208 Plan Update.

In reviewing pages 3 and 4 of the AUSS Amendment No. 2, which was rejected by the Regional Council at the January 2002, AUSS states "The existing facility (at the Links) does not have additional capacity or room for expansion beyond 150,000 gpd."

The CAAG attorney has requested this meeting to determine how Regional Council wishes to proceed as this is a policy matter.

I thank you in advance for your time and effort regarding CAAG and this matter. Packets with documentation will be hand delivered to your City/Town/County offices today. Please call me if you have any questions or need additional information.



Jane Dee Hull
Governor

ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY

3033 North Central Avenue • Phoenix, Arizona 85012-2809
(602) 207-2300 • www.adeq.state.az.us



Jacqueline E. Schafer
Director

February 26, 2002

FEB 28 2002

Ms. Maxine L. Leather, Executive Director
Central Arizona Association of Governments
Historic Belmont Building
271 Main Street
Superior, AZ 85273

Re: The Links WWTP and CAAG's 208 Plan Update

Dear Ms. Leather:

I am in receipt of your letter to Michele Robertson dated February 25, 2002 concerning what you believe to be a typographical error in the CAAG 208 Plan Update. You believe the plan *meant* to list the Links WWTP at .075 MGD instead of the .75 MGD currently written. You asked the Department to consider this issue as it makes any regulatory decisions.

While I appreciate that you believe there is an error in the CAAG 208 Plan, I know you recognize this Department makes its regulatory decisions based on the facts before it. If CAAG genuinely believes it should reduce the capacity of the Links WWTP in its plan, it will need to proceed through its formal process of securing a correction or modification to the plan. If indeed this is widely recognized as a typographical error, it should not take long to secure those necessary changes. CAAG needs to remain mindful, however, that the tremendous influx of development in this part of Pinal County requires a regional wastewater treatment facility. While you may correct what you believe to be a typographical error on the one hand, you will want to ensure that you are not creating additional problems by formally limiting the volume and capacity for wastewater treatment in this area.

The Department is pleased to work with you as CAAG continues its process to produce a viable 208 wastewater planning framework for both Gila and Pinal counties. Until receipt of a corrected 208 Plan Update, this Department will continue to use the existing CAAG 208 Plan as the basis for its regulatory decisions.

Sincerely,

Karen L. Smith, Director,
Water Quality Division

cc: Jacqueline E. Schafer, Director, ADEQ
Alexis Strauss, Director, Water Division, EPA Region IX
Michele Robertson, Manager, Water Permits, ADEQ
Linda Taunt, Manager, Hydrologic Support and Assessment, ADEQ
Mike Traubert, Manager, Water Quality Compliance, ADEQ



Jane Dee Hull
Governor

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Jacqueline E. Schafer
Director

Rec'd 7/21/02

February 15, 2002

Mr. Maurice Lee, Manager
Arizona Utility Supply & Services, LLC
4545 East Shea Blvd. Suite 164
Phoenix, Arizona 85028

Re: Cambria WWTF (Links Estates System Expansion)
Cambria ID No. 15249
Links Estates WWTF APP No. 102976

Dear Mr. Lee:

The Arizona Department of Environmental Quality is in receipt of a January 25, 2002 response letter on behalf of Arizona Utility Supply Services L. L.C. from Mr. George Tsiolis, Esq., of Snell & Wilmer, L.L.P., in answer to ADEQ's letter of August 10, 2001, from Mr. Reza Azizi, which inquired as to the compliance status of the Cambria WWTF with Section 208 Certified Areawide Water Quality Management Plan requirements.

ADEQ has reviewed your response letter and is satisfied that the Cambria WWTF has been properly accounted for in Section 208 Plan requirements as it applies to Pinal County. Please regard this letter as such assurance the ADEQ regards the question of Cambria WWTF Section 208 compliance as resolved.

Should you have further questions on this matter, please call me at (602) 207-4525

Sincerely,

Michael J. Traubert, Manager
Compliance Section
Water Quality Division

cc: Karen Smith, Director, Water Quality Division, ADEQ
Linda Taunt, Manager, Hydrological Support & Assessment, ADEQ
Richard Bark, Gallagher & Kennedy Attorneys at Law
George Tsiolis, Snell & Wilmer, L.L.P.

Northern Regional Office
1515 East Cedar Avenue • Suite F • Flagstaff, AZ 86004
(520) 779-0313

Southern Regional Office
400 West Congress Street • Suite 433 • Tucson, AZ 85701
(520) 628-6733

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Arizona Utility Supply & Services, LLC
4545 E. Shea Blvd. #164 Phoenix, AZ 85028
(602) 923-9134 1 (800) 859-1680 FAX (602) 923-9142

Fax Transmittal

To:

MAXINE LEATHER
CRAIG

From:

MAUDY LEE

Fax No. 520-689-5020

Date: DEC. 4

Ref. LINK 208

Urgent Reply X For Your Information Number of Pages 6

Message:

PER THE ENCLOSED. LET ME KNOW WHAT
YOUR ATTORNEY HAS TO SAY
MAUDY LEE



**American
Engineering
Company**
CONSULTING ENGINEERS

21442 North 20th Avenue

Phoenix, Arizona 85087

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FAX (602) 582-0953

Post-It® Fax Note	7671	DATE	11/27/01	PAGES	2
To	MURPHY, LEE	From	E. VOGAN		
Co./Org	MISS UTILITIES	Co.	ADEQ		
Phone #		Phone #	602-707-4606		
Fax #	602-582-3536	Fax #	602-707-4624		

Links Estates Sewage Treatment Plant Engineer's Summary

RECEIVED
NOV 22 1994
ENGINEERING REVIEW

The sewage system for the area to be served by the Links Estate Sewage Treatment Plant will be developed in phases. The initial service area will be Links Estates One that consists of 72 manufactured housing units. The future service area will consist of four more phases or units. An additional 420 manufactured housing units will be developed for a total of 492 units.

The Links Estates Development site is currently in a fallow agricultural condition. The area slopes to the Northwest. It is bounded on the West by a golf course development, and surrounded by agricultural land on the other sides.

The Links Estates is located in Pinal County, in Section 20 Township 2 South Range 8 East Gila and Salt River Base and Meridian.

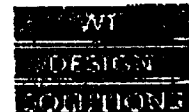
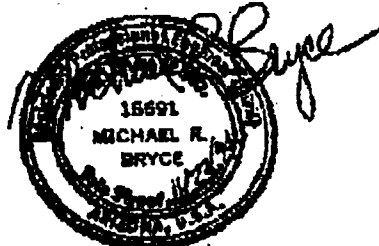
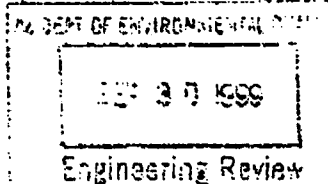
The Soil Survey for Eastern Maricopa County and Northern Pinal County area Arizona prepared by the United States of Agricultural, Soil Conservation Service issued 1974 show soil types in the area. The soil types are Gault, Gillman and Carrizo. The permeability for these soils range from moderate permeability to very rapid permeability, according to the SCS evaluation. A site specific soils report has been done by Construction, Inspection and Testing.

Waste water flow source for this treatment plant will be primarily manufactured housing and a club house. It was estimated that the flow generated will be 150 gallons per day per unit for the manufactured housing.

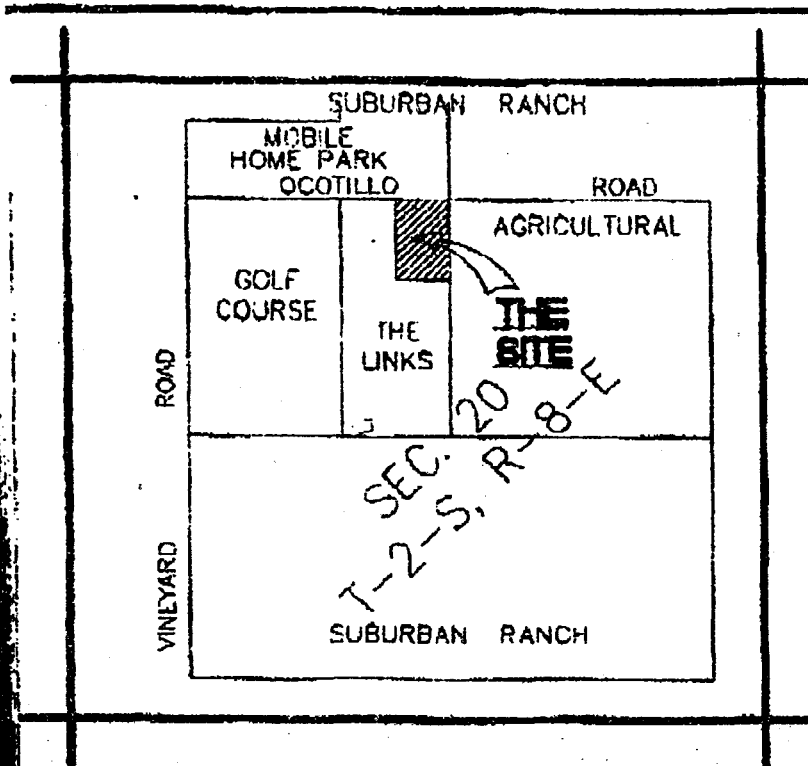
The effluent will flow to the treatment plant where the first phase will be treated by the plant and put into the storage pond where it will percolate into the ground. The storage basin will have a volume sufficient to contain the complete development. The treated effluent will have a nitrate level less than 10 and percolated into the ground for disposal during the initial phase. The future plan is to utilize the effluent to irrigate the adjacent golf course.

The elements of the final plant design are included in the submittal package prepared for The Links at Queen Creek Pinal County Arizona. The specifics of the plant construction, design calculations and effluent type are included there.

SCOTT M. LARSEN, P.E. & R.L.S.
MICHAEL R. BRYCE, P.E. & R.L.S.
BRUCE P. LARSON, P.E.
M. LLOYD WILLIS, R.L.S.
LARRY R. GATES, R.L.S.
DOUGLAS L. BAKER, R.L.S.



The Links Ph II



OWNER / DEVELOPER

D.J.S.P. - LLC.

7902 NORTH BLACK CANYON HIGHWAY, SUITE 10

PHOENIX, ARIZONA 85051

TELEPHONE: (602) 855-1240

APPLICANT
ENGINEER \ SURVEYOR

LA MARCA ENGINEERING GROUP
3101 WEST PEORIA AVENUE, SUITE B-316
PHOENIX, ARIZONA 85029

[illegible]

三

14



November 28, 2001

JN 45-1011206

Maurice Lee
Arizona Utility Supply & Services, LLC
4545 E. Shea Blvd. #164
Phoenix, AZ 85028

Subject: CAAG 208 for the Links

Dear Mr. Lee:

I was the project manager for the Links at the beginning of the project. In order to have the master plan work it was necessary to install a wastewater treatment plant. I set up a pre-design meeting with Arizona Department of Environmental Quality (ADEQ) where we discussed the need for the plant to be in the CAAG 208 plan. ADEQ said we were very fortunate because they were just updating the plan and they would help us make sure that the Links plant was in the updated 208 plan. We had a manufactured housing project of more than 400 homes with much other vacant land adjoining the project. It was decided to plan for a 750,000 gallon plant with capability to add an additional 750,000 gallons. The actual plant had much less capacity as the developer decided to only do the first phase of the first project, but it was anticipated that the plant would be expanded to meet the future needs of the surrounding area so the CAAG 208 remained at 1.5 million gallons per day. The golf course wanted reuse water so a large expansion plant was planned near the golf course.

Should you have any further questions, please call.

Sincerely


Scott Marvin Larsen, P.E.



PLANNING ■ DESIGN ■ CONSTRUCTION

10005 N. 29th Avenue, Suite 100, Phoenix, AZ 85053-7550 ■ 602.467.2200 ■ Fax 602.467.2201

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CENTRAL ARIZONA ASSOCIATION OF GOVERNMENTS

HISTORIC BELMONT BUILDING • 271 MAIN STREET • SUPERIOR, AZ 85273

LOCAL:
(520) 689-5004

TOLL-FREE & VTTY:
1-800-782-1445

April 19, 2001

TDD:
(520) 689-5009

FAX:
(520) 689-5020

Maurie Lee
Arizona Utility Supply and Services, LLC
4002 E. Taro Lane
Phoenix, Arizona

Dear Mr. Lee:

GILA-PINAL
COUNTIES



REGION V

GILA COUNTY

■ GLOBE

■ HAYDEN

■ MIAMI

■ PAYSON

■ WINKELMAN

PINAL COUNTY

■ APACHE JUNCTION

■ CASA GRANDE

■ COOLIDGE

■ ELOY

■ FLORENCE

■ HEARNY

■ MAMMOTH

■ QUEEN CREEK

■ SUPERIOR

RE: Links Wastewater Treatment Plant (WWTP)

Central Arizona Association of Governments (CAAG) is the Designated Planning Agency (DPA) for Gila and Pinal Counties. In September 1994, CAAGs' governing body, the Regional Council, unanimously passed the CAAG 208 Areawide Water Quality Management Plan Update. In that plan on page 143 under Chapter 5, Section 5.2.2 Package Wastewater Treatment Plants, the third paragraph states:

"The Links at Ocotillo and Vineyard Roads, a planned manufactured housing community south of Apache Junction, is scheduled to begin construction of a package WWTP in December 1994 with a .75 MGD capacity with the first anticipated phase capacity increase of .75 MGD in February of 1996. Pinal County is in the preliminary planning and engineering stages for expansion."

If the expansion you intend to provide at the Links falls within the above paragraph, then it is consistent with CAAGs' 208 Plan.

I have enclosed a copy of the above mentioned page for your records. Please call me if you have any other additional questions.

Sincerely,

Maxine L. Leather
Executive Director

enclosure

Currently, Arizona City, Kearny, and Casa Grande are expanding wastewater treatment facilities to increase capacity. The newly formed Superstition Mountain Community Facilities District is approved and will begin construction in late 1994, resulting in the establishment of regional wastewater treatment for the urbanized Apache Junction area.

Wastewater treatment needs were projected based on a rough estimate of need of 100 gallons per person per day (gpcd). Once a facility begins operating at 80% of the design capacity, it is recommended that the facility begin planning for expansion. Using this 80% figure as the base, the maximum design capacity of the plant was compared to the projected population growth of the entity; facilities at or below 115 gpcd were projected to be need for facility expansion.

5.2.2 Package Wastewater Treatment Plants

In addition to the POTWs in the region, there are approximately 68 private and/or institutional wastewater systems that require individual permits. These facilities come under the jurisdiction of either the county health department, through a delegation agreement with the state or ADEQ. These facilities vary from schools, hospitals and shopping centers to large master-planned communities. The capacities of most of these facilities is generally less than 0.5 MGD.

These private facilities are particularly prevalent in areas experiencing growth but which do not have centralized wastewater treatment. For example: nine package treatment plants are presently located within the City of Apache Junction planning area, serving the following entities: Superstition Grand Hotel; the Mining Camp; Roadhaven RV Resort; Sunrise RV Resort; Pueblo RV Resort; Rock Shadows and Denali Mobile Home Parks; Apache Junction Unified School District high school; and the Sierra Entrada subdivision. In addition, several miles east of Apache Junction are several large, master planned developments with package treatment systems: Gold Canyon Resort and the Gold Canyon RVP. A brief summary of some of the larger private facilities is provided in Appendix 5-5.

The Links at Ocotillo and Vineyard Roads, a planned manufactured housing community south of Apache Junction, is scheduled to begin construction of a package WWTP in December 1994 with a .75 MGD capacity with the first anticipated phase capacity increase of .75 MGD in February of 1996. Pinal County is in the preliminary planning and engineering stages for expansion.

5.3 INDUSTRIAL WASTEWATER TREATMENT SYSTEMS

As stated earlier, about 22% of the facilities in CAAG that require permits, can be classified as industrial systems. Wastewater treatment systems in this range of activities require permits if they treat and dispose of their own wastewater.

Many of these facilities are located outside incorporated communities. Those located within municipalities and discharging to the municipal system may be required to implement a pretreatment program to meet the facility requirements for effluent.

The key concerns in dealing with industrial and/or facilities is to address potential problems from discharge of hazardous materials and other pollutants to surface or groundwater. If the operation is tied to a centralized wastewater treatment system, the concern is to prevent discharges to the system that could upset the treatment process.

**CAAG 208 WATER QUALITY PLAN
AMENDMENT NO. 2**

FOR

**ARIZONA UTILITY SUPPLY & SERVICES, LLC
WASTEWATER TREATMENT
FACILITIES**

CAMBRIA/CASTLEGATE WWTF

**Arizona Utility Supply & Services, LLC
4545 E. Shea Blvd. #164
Phoenix, AZ 85028**

**(602) 923-9134
FAX (602) 923-9142
E-Mail
utilities@azuss.com**

October 29, 2001

**ARIZONA UTILITY SUPPLY AND SERVICES, LLC
ESTIMATED SERVICE AREA POPULATION**

SECTION NUMBER	NO. OF HOMES	ESTIMATED POPULATION
19	644	2,318
20	981	3,192
21	708	1,856
22	1409	4,268
29	3,100	11,160
30	100	3,960
TOTAL	7,942	26,754

The twenty year population projection is as follows:

POPULATION PROJECTION FOR AUSS SERVICE AREA

YEAR	PROJECTED POPULATION
2000	0
2001	530
2002	2,850
2004	8,000
2005	9,548
2010	15,280
2015	21,017
2020	26,754

3.0 EXISTING WASTEWATER TREATMENT FACILITY

Currently the general area does not have public wastewater treatment facilities or collection systems large enough to accept wastewater from the planning area. Larger municipal or "district" facilities (including the Superstition Mountain Community Facilities District, Apache Junction and Gold Canyon Resort and Community) are so distant from the planning area that connection to these facilities is not cost effective, nor practical.

In the immediate vicinity of the planning area, there are two facilities designed and built to serve respective communities:

The Links WWTF – is located ¼ mile east of Ironwood (Vineyard) Road on Ocotillo Road. This facility is a 75,000 gpd (approved to treat 150,000 gpd as stated in the CAAG 208 Area Wide Water Quality Management Plan Update 1994) that is located adjacent to Links Golf Course and the Links Mobile Home Park. The WWTF currently serves 100 lots of the mobile home park and is being expanded to 150,000 gpd to serve Phase 1 and Phase 2 of the Cambria Community's additional lots; as approved by ADEQ.

The existing facility does not have additional capacity or room for expansion beyond the 150,000 gpd. The WWTF is also landlocked, making any expansion very difficult if not impossible. Vista Meadows Mobile Home Park and associated WWTF are located ¼ mile east of Kenworthy Road on Ocotillo Road. The treatment plant is in place and the 40-acre mobile home park is under construction. The facility was designed and built to serve the mobile home park only. This plant does not have any extra capacity or provision to serve other users outside the community.

The Cambria/Castlegate WWTF will be under construction in the near future to serve the Cambria subdivision and will have a capacity of 0.42 MGD when completed. There will have to be additional set back waivers when this WWTF is expanded.

In conclusion, there is no other site available to accommodate the Castlegate subdivision other than to expand the Cambria WWTF to 0.91 MGD. The developers of the Cambria subdivision have agreed to give a set back waiver in accordance with the Arizona Dept. of Environmental Quality regulations to expand the Cambria WWTF to 0.99MGD but not more than 1.0MGD. The expanded treatment facility shall be referred to as the **Cambria/Castlegate WWTF**.

The location of the existing and proposed facilities is shown on Figure 2.1. This figure also shows facilities "in progress" either approved for development or in the process of approval. Other than the treatment facilities herein mentioned, there are not any sewer treatment sites in the area. This expansion will not have any impact or adverse effect on any existing facilities, sanitary districts, or any infrastructures/facilities and certified area.

After the Cambria WWTF is constructed and is in operation, the Links WWTF will be de-commissioned and closed in accordance with ADEQ rules and regulations. All effort will be made to acquire the Meadow Vista WWTF and shall be connected to the Cambria/Castlegate WWTF and will be closed in accordance with ADEQ rules and regulations. It is anticipated the Links WWTF will be closed by the end of the year 2002 and the Meadow Vista WWTF to be closed by the end of the year 2003.

IMPACT ON BUSINESS AND AMMENITIES

The construction of the Cambria/Castlegate WWTF will provide a much needed treatment for the affordable housing in the area. Construction jobs will be needed for the implementation as well as other types of employment. The community will benefit by consistent irrigation water to be furnished to the Links golf course, which by more affordable housing will promote year around operation, which will provide more employment.



ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY

Fife Symington, Governor

Edward Z. Fox, Director

NOTICE OF THE PRELIMINARY DECISION TO ISSUE AN INDIVIDUAL AQUIFER PROTECTION PERMIT

Pursuant to Arizona Administrative Code, Title 18, Chapter 9, Article 1, the Director of the Arizona Department of Environmental Quality intends to issue an individual Aquifer Protection Permit to the following applicant(s):

Public Notice No. 12-95AZAP

On or about April 19, 1995

The Links Estates Wastewater Treatment Plant

D.J.S.P. - L.L.C.

7902 N. Black Canyon Highway, Suite 10

Phoenix, Arizona 85051

Aquifer Protection Permit No. P-102976

The Links Estates, WWTP site is located near the southeast corner of Ocotillo and Vineyard, near Apache Junction, Arizona, Pinal County, Arizona, over groundwater of the Pinal A.M.A. groundwater basin in Township 02 S, Range 08 E, Section 20, NE1/4 NW1/4 Gila and Salt River Base Line and Meridian. Latitude 33° 14' 38" North and Longitude 111° 33' 17" West.

The facility will be authorized to operate a tertiary wastewater treatment plant with nitrogen removal and ultraviolet disinfection serving the Links Estates Mobile Home Subdivision near Apache Junction, Arizona. The plant will have a capacity to treat 75,000 gallons per day of domestic sewage. All of the wastewater will be transported from the effluent holding pond near the wastewater treatment plant to golf course lakes for reuse or directly from the effluent holding pond for reuse according to the conditions of the reuse permit. The permit will require effluent monitoring. The facility will be designed, constructed, and operated according to the plans approved by the ADEQ, Engineering Review and Permits Unit.

The permit and related materials are available for public review Monday through Friday 8:00 a.m. to 5:00 p.m. at the Arizona Department of Environmental Quality, Plan Review and Permits Section, 3033 N. Central Avenue, 4th Floor, Phoenix, AZ 85012.

Persons may submit comments or request a public hearing on the proposed action, in writing, to Lee Sobchak, ADEQ, 3033 N. Central Avenue, 4th Floor, Phoenix, AZ 85012 within thirty (30) days from the date of this notice. Public hearing request must include the reason for such request.



ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY

Fife Symington, Governor Edward Z. Fox, Director

WU95:0377

File No. 102976

April 14, 1995

Ron Kohner
D.J.S.P. - L.L.C.
7902 N. Black Canyon Highway, Suite 10
Phoenix, Arizona 85051

APR 14 1995
RECEIVED
SWD

Re: The Links Estates, WWTP located near the SE corner of Ocotillo &
 Vineyard near Apache Junction, Arizona
 Draft Aquifer Protection Permit

Dear Mr. Kohner:

Attached for your review and comment are the Executive Summary and draft permit for the above-referenced facility.

The draft permit and related materials are available for public review Monday through Friday 8 a.m. to 5 p.m. at the Arizona Department of Environmental Quality, Aquifer Protection Program-4th floor, 3033 North Central Avenue, Phoenix, Arizona 85012.

Please return any comments and/or objections you may have regarding this permit to Plan Review and Permits within 30 days of the date of this letter.

If you have any questions, you may contact me at 207-4576.

Sincerely,

A handwritten signature in cursive script, appearing to read "Lee Sobchak".

Lee Sobchak
Environmental Program Specialist
Aquifer Protection Program
Water Quality Division

ls:LS

Attachments

U.S. Environmental Protection Agency, region IX, W-6-3, Attn: Luisa Valiela
Water Resources and Conservation Division, Attn: Mason Bolitho
Central Arizona Association of Governments (CAAG)
Pinal County Planning & Zoning Commission
Pinal Active Management Area, Attn: Tom Carr
Pinal County Health Department
Scott Larson, American Engineering
City of Apache Junction

EXECUTIVE SUMMARY
AQUIFER PROTECTION PERMIT NO. P-102976

Facility Name:

The Links Estates Wastewater Treatment Plant

Facility Location:

The facility is located near the southeast corner of Ocotillo and Vineyard, near Apache Junction, Arizona, Pinal County, Arizona, over groundwater of the Pinal A.M.A. groundwater basin in Township 02 S, Range 08 E, Section 20, NE1/4 NW1/4 Gila and Salt River Base Line and Meridian.

Facility Description:

The facility is a tertiary wastewater treatment plant with nitrogen removal and UV disinfection that will have a capacity of .075 million gallons per day serving the Links Estates Mobile Home Park. All of the wastewater will be transported from the wastewater treatment plant to storage ponds at the Links Estates golf course for reuse according to the conditions of the reuse permit. The permit will require effluent monitoring.

Best Available Demonstrated Control Technology (BADCT):

The facility will reuse its effluent at the consumptive rate satisfying water conservation aspects of BADCT. The plant filters, denitrifies and uses UV sterilization for disinfection.

Monitoring Requirements:

Effluent will be monitored at a discharge point from the facility. Total Nitrogen, Nitrate/Nitrite, TKN and Total Coliform will be monitored monthly. AWQS Metals will be monitored yearly.

Compliance with Aquifer Water Quality Standards (AWQS):

The plant is designed to treat parameters below AWQS. However, some total coliform colonies occasionally may show up in samples. It is not expected that any would survive at the point of compliance in the groundwater system.

Point of Compliance:

The point of compliance location is shown in Part II.B.2.a. of the permit. No monitoring will be required at this point.

Storm/Surface Water Considerations:

The facility is outside the area of influence from a 100 year, 24 hour flood event.

Water Quality Management Plan (208) Consistency

The facility has been reviewed and has been found to be consistent with the EPA certified 208 plan.

Zoning Requirements:

The facility has obtained the necessary zoning approval

Financial Capability:

The permittee has provided the financial information required pursuant to A.A.C. R18-9-108.B.8.

Technical Capability:

The permittee has contracted the SANTEC Corporation for the construction of the wastewater treatment plant. They have many years experience in the design and manufacture of wastewater treatment systems. A certified wastewater facility operator will be provided.

ls:ls

STATE OF ARIZONA

AQUIFER PROTECTION PERMIT NO. P-102976

PART I.

AUTHORIZATION TO DISCHARGE POLLUTANTS IN A MANNER SUCH THAT CURRENT AND REASONABLY FORESEEABLE FUTURE USES OF THE AQUIFER ARE PROTECTED

In compliance with the provisions of Arizona Revised Statutes (A.R.S.) Title 49, Chapter 2, Articles 1, 2 and 3; Arizona Administrative Code (A.A.C.) Title 18, Chapter 9, Article 1; A.A.C. Title 18, Chapter 11, Article 4; and conditions set forth in this permit:

Facility Name: The Links Estates Wastewater Treatment Plant

Owner & Operator:

D.J.S.P. - L.L.C.

7902 N. Black Canyon Highway, Suite 10

Phoenix, AZ 85051

is authorized to operate the Links Estates Wastewater Treatment Plant facility located at near the SE corner of Ocotillo and Vineyard near Apache Junction, AZ, Pinal County, over the Pinal A.M.A. groundwater basin in Township 02 S, Range 08 E, Section 20, NE1/4 NW1/4 - Gila and Salt River Base Line and Meridian:

Latitude	33° 14' 38"	North
Longitude	111° 33' 17"	West

This permit shall become effective on the date of the Division Director's signature and shall be valid for the life of the facility (operational, closure, and post-closure periods) provided that the facility is constructed, operated, and maintained pursuant to all the conditions of this permit according to the design and operational information documented or referenced in PARTS I, II, III, IV, V, VI, and VII of this Permit, and such that Aquifer Water Quality Standards are not violated.

Kimberly W. MacEachern

Director

Water Quality Division

Arizona Department of Environmental Quality

Signed this ____ day of _____, 1994

DRAFT FOR REVIEW AND DISCUSSION

4-13-95

PART II. SPECIFIC CONDITIONS

A. Discharge Limitations

1. The permittee is authorized to operate a tertiary wastewater treatment plant (WWTP) with nitrogen removal and ultraviolet disinfection. The plant shall treat approximately 75,000 gallons per day of domestic sewage. All of the effluent will be transported from the effluent holding pond near the WWTP to golf course lakes for reuse or directly from the effluent holding pond for reuse under the authority of a reuse permit issued by ADEQ. The WWTP shall be designed, constructed, and located according to plans approved by the ADEQ, Engineering Review and Permits Unit.
2. The materials authorized to be disposed of through the wastewater treatment plant are typical household sewage and pre-treated commercial wastewater and shall not include motor oil, gasoline, paints, varnishes, hazardous wastes, solvents, pesticides, fertilizers or other materials not generally associated with toilet flushing, food preparation, laundry facilities and personal hygiene.
4. Specific discharge limitations are specified in PART IV, TABLE I.

DRAFT FOR REVIEW AND DISCUSSION

B. Monitoring Requirements

1. Discharge Monitoring

Discharge from the WWTP shall be monitored according to PART IV, TABLE I.

Discharge monitoring shall be performed at a point after disinfection and filtration at:

Identification	Latitude	Longitude
Point of Discharge after disinfection and filtration	33° 14' 38.2" N	111° 33' 17" W

2. Groundwater Monitoring

a. Point(s) of Compliance

The point of compliance (POC) for this facility shall be designated at the following location:

Identification	Latitude	Longitude
SW corner of Effluent Pond	33° 14' 37" N	111° 33' 19" W

The Director may designate additional points of compliance if information on groundwater gradients indicates the need.

b. Monitoring Well Locations

Monitor wells are not required.

c. Ambient Groundwater Quality Monitoring

Not required.

d. Compliance Monitoring

Groundwater monitoring may be required as defined in Contingency Plan Requirements section II.C.

3. Operational Monitoring

a. Pre-operational QA/QC Requirements

DRAFT FOR REVIEW AND DISCUSSION

Not required

b. Facility Maintenance Inspection

- (1) The pollution control structures shall be inspected for the items listed in PART IV, TABLE II. A log of these inspections shall be kept at the facility for ten (10) years from the date of each inspection, available for review by ADEQ personnel.
- (2) If any damage of the pollution control structures is identified during inspection, proper repair procedures shall be performed. All repair procedures and material(s) used shall be documented on the Self-Monitoring Report and Documentation Form and submitted quarterly to the ADEQ, Inspections, Compliance & Enforcement Unit.

c. Fissure Monitoring

Not Required.

4. Sampling Protocols

a. Discharge Monitoring System

Sample collection, preservation, and holding times shall be consistent with the most recent ADEQ Quality Assurance Project Plan or procedures described in EPA 40 CFR PART 136.

b. Groundwater Monitoring

Groundwater monitoring is not required

If groundwater monitoring is required per Contingency Plan II.C, then permittee shall follow conditions as stated below.

- (1) Sampling procedures; preservation techniques and holding times shall be consistent with the most recent ADEQ Quality Assurance Project Plan.
- (2) Static water levels shall be measured and recorded prior to sampling. Wells shall be purged of at least three borehole volumes (as calculated using the static water level) or until indicator parameters (pH, temperature, conductivity) are stable, whichever represents the greater volume. If evacuation results in the well going dry, the well should be allowed to recover to 80% of the original borehole volume, or for 24 hours, whichever is shorter, prior to sampling. If after 24 hours there is not sufficient water for sampling, the well will be recorded as dry for the monitoring event. An explanation for reduced pumping volumes, a record of the volume pumped, and modified sampling procedures shall be

DRAFT FOR REVIEW AND DISCUSSION

reported on the Self-Monitoring Report and Documentation Form.

5. Installation and Maintenance of Monitoring Equipment

a. Discharge Monitoring Equipment

The permittee shall provide monitoring or sampling access, ports, or devices at the facility for all monitoring required in this permit.

b. Groundwater Monitoring Equipment

Groundwater monitoring is not required.

If groundwater monitoring is required per Contingency Plan II.C, then permittee shall follow conditions as stated below.

Any groundwater monitoring wells, if required by this permit, shall be installed and maintained according to plans approved by the ADEQ, Wastewater & Reuse Unit so that proper groundwater samples can be collected. Should additional groundwater wells be determined necessary, the construction details shall be submitted to the ADEQ Wastewater & Reuse Unit for approval.

6. Monitoring Records

The following information associated with each sample, inspection or measurement and the name of each individual who performed the sampling or measurement should be included in the monitoring records;

- a. Date, time and exact place of sampling, inspection, or measurement and the name of each individual who performed the sampling or measurement.
- b. Procedures used to collect the sample or make the measurement.
- c. Date on which sample analysis was completed.
- d. Name of each individual and laboratory who performed the analysis.
- e. Analytical techniques or methods used to perform the sampling and analysis; laboratory detection limit for each test method performed; analytical variance for each parameter analyzed.
- f. Chain of custody records.
- g. Any field notes relating to the information described in subparagraphs a through f above.

DRAFT FOR REVIEW AND DISCUSSION

C. Contingency Plan Requirements

The permittee shall maintain at least one copy of the approved contingency plan(s) at the location where day-to-day decisions regarding the operation of the facility are made. The permittee shall advise anyone responsible for the operation of the facility of the location of copies of all contingency and emergency plans.

The following shall be the contingency plan for this facility in addition to any site specific contingency plan approved by ADEQ.

1. General AL/DL Contingencies

a. Alert Level (AL) or Discharge Limit (DL) Exceedance

- (1) The permittee shall notify the Department at the address specified in PART II.H.1 within five days of becoming aware of the exceedance of an Alert Level or Discharge Limit.
- (2) Verification sampling shall be conducted within five days of becoming aware that Alert Level or Discharge Limit has been exceeded.
- (3) Within five days of receiving the results of verification sampling from the laboratory, the permittee shall notify the Department of the results, at the address indicated in PART II.H.1, regardless of whether the results are positive or negative.

(a) If the results of verification sampling indicate that an AL or DL has not been exceeded, the permittee shall assume that no exceedance has occurred; unless the permittee is otherwise instructed by the Department, no further action is required until the next scheduled monitoring round.

(b) If the results verify that an AL or DL has been exceeded, the permittee shall, within 30 days of receiving the laboratory results verifying that an AL or DL has been exceeded, submit to the ADEQ, Inspections, Compliance & Enforcement Unit, either (i) or (ii) of the following:

- (i) a written report which includes the documentation specified in PART II.H.3.b. Upon approval by the Department, The permittee shall initiate the actions necessary to mitigate the impacts of the exceedance. At a minimum, the plan shall include provisions for more frequent sampling until constituent concentration is below the AL or DL for two consecutive samples. The

plan shall indicate if any additional parameters are to be tested.

- (ii) a demonstration that the AL or DL exceedance resulted from error(s) in sampling, analysis, or statistical evaluation.
- (4) In the event of an AL or DL exceedance, the Department may require additional monitoring, studies, or remedial activities beyond those specified in this permit. In addition, if the permittee submits a demonstration that the AL or DL exceedance was due to error(s) in sampling, analysis, or statistical evaluation, and this demonstration is not accepted by the ADEQ, the Department may require that the permittee submit the documentation included in PART II.H.3.b.
- (5) In the event that an AL or DL is exceeded for four consecutive months, the Director may require that monitor wells be installed at the point of compliance and upgradient of the facility. At that time, a groundwater monitoring plan including a parameter list, parameter limits, sampling frequencies, and protocols will be added to this permit based on the AL or DL exceedance data. Any parameter exceedance resulting from the added groundwater monitoring plan indicated in this paragraph shall follow the General Contingencies indicated in Part II.C.1 of this permit.

2. Accidental Discharge

DRAFT FOR REVIEW AND DISCUSSION

- a. The permittee shall correct any failure that results in the violation of permit conditions and take the following actions:
 - (1) Within 30 days of a spill that might cause the exceedance of an AQL or might cause imminent and substantial endangerment to public health or the environment, the permittee shall submit to the ADEQ Inspections, Compliance & Enforcement Unit a written report that includes the documentation required in PART II.H.3.
 - (2) Upon review of the above required report, the Department may require additional monitoring and/or actions.
- b. Spills

In the event of any accidental spill or unauthorized discharge of suspected hazardous or toxic materials on the facility site the related area shall be promptly isolated and attempts to identify the material shall be made. Information on persons that may have been exposed to the material will be recorded. If the material is identified to be in the category of acceptable the operator shall dispose of the material in the landfill. Otherwise, if the material is not identified with certainty, or is identified as being in the category of unacceptable waste, a

qualified contractor shall remove and dispose of the material according to applicable federal, state and city regulations.

c. Emergency Response

- (1) The permittee shall provide for emergency response on a 24-hour basis in the event that a condition arises which results in imminent and substantial endangerment to public health or the environment. The plan shall be kept at the facility and provide for the following:
 - (a) designation of an emergency response coordinator who shall notify ADEQ, Inspections, Compliance & Enforcement Unit and activate the necessary contingency plan in the event of an emergency;
 - (b) a general description of the procedures, personnel and equipment to be used to assure appropriate mitigation of unauthorized discharges; and
 - (c) a list of names, addresses and telephone numbers of persons to be contacted in the event of an emergency.
- (2) The emergency response coordinator shall notify the ADEQ, Inspections, Compliance & Enforcement Unit immediately in the event that emergency response measures are taken or those portions of the contingency plan that address an imminent and substantial endangerment are activated.

d. Drainage Failure

- (1) If a drainage structure such as a ditch or diversion berm fails or is blocked, prompt action shall be taken immediately to repair the temporary structures with readily available materials, to minimize impacts on the facility. The temporary repairs shall be replaced by permanent repairs to be performed as soon as conditions allow. The repairs or permanent replacement of the temporary structure shall be designed to prevent future failures.

3. Failure of ultraviolet disinfection unit

- a. The permittee may use a backup chlorination system for emergency use only. The permittee shall notify the Wastewater & Reuse Unit at any time the chlorination system has been used. The notification shall include the start of chlorine use and when the anticipated cessation of use. Steps shall be taken to expedite the operation of the ultraviolet disinfection system.

D. Temporary Cessation

The permittee shall notify the ADEQ Inspections, Compliance & Enforcement Unit in writing before temporary cessation of any operation at the facility. Notification of the temporary cessation does not relieve the permittee of any permit requirements unless otherwise specified in this permit.

Accompanying the notification shall be a description of any measures to be taken to maintain discharge control systems such that discharge is minimized to the maximum extent practicable during temporary cessation.

E. Closure

1. The permittee shall notify the ADEQ, Inspections, Compliance & Enforcement Unit of his intent to cease, without intent to resume, an activity for which the facility was designed or operated prior to ceasing. Within 90 days following notification, the permittee shall submit for approval, to ADEQ, Inspections, Compliance & Enforcement Unit, a closure plan that eliminates, to the greatest extent practicable, any reasonable probability of further discharge from the facility and of exceeding Aquifer Water Quality Standards at the applicable point of compliance. The plan shall describe the following details:
 - a. The approximate quantities and the chemical, biological, and physical characteristics of the materials to be removed from the facility;
 - b. the destination of the materials to be removed from the facility and an indication that placement of the materials at that destination is approved;
 - c. the approximate quantities and the chemical, biological, and physical characteristics of the materials that will remain at the facility;
 - d. the methods to be used to treat any materials remaining at the facility;
 - e. the methods to be used to control the discharge of pollutants from the facility;
 - f. any limitations on future land or water uses created as a result of the facility's operations or closure activities;
 - g. the methods to be used to secure the facility;
 - h. an estimate of the cost of closure; and
 - i. a schedule for implementation of the closure plan and the submission of a post-closure plan.
2. Upon completion of closure activities, the permittee shall give written notice to ADEQ Inspections, Compliance & Enforcement Unit indicating that the approved closure plan has been implemented fully, and shall provide proof of the inclusion in the deed to the property of complete information about the materials buried or discharged at the facility and any limitations on future land

or water uses created as a result of the facility's operations or closure activities.

F. Post-Closure

1. Post-closure requirements by the ADEQ, Wastewater & Reuse will be based on the review of facility closure activities.
2. The post-closure plan shall ensure that any reasonable probability of further discharge from the facility, and of exceeding Aquifer Water Quality Standards at the applicable points of compliance, are eliminated, to the greatest extent practicable. If a post-closure plan is deemed to be necessary, the plan shall describe all the following:
 - a. The duration of the post-closure care.
 - b. The monitoring procedures to be implemented by the permittee, including monitoring frequency, type, and location.
 - c. A description of the operating and maintenance procedures to be implemented for aquifer quality protection devices, such as liners, treatment systems, pump-back systems, and monitoring wells.
 - d. A schedule and description of physical inspections to be conducted at the facility following closure.
 - e. An estimate of the cost of post-closure maintenance and monitoring.
 - f. A description of limitations on future land or water uses, or both, at the facility site as a result of facility operations.
3. The permittee shall notify ADEQ Inspections, Compliance & Enforcement Unit in writing when the post-closure activities have been completed.

G. Compliance Schedule Requirements

1. A copy of the emergency response plan shall be submitted to the ADEQ, Inspections, Compliance & Enforcement Unit within 30 days from the effective date of this permit. The plan shall include the information referenced in PART II.C.2.c.
2. The permittee shall obtain an insurance policy, performance bond, trust fund, or execute a financial warranty for a Certificate of Deposit in the amount of \$15,000 prior to issuance of the Letter of Approval to Operate by the ADEQ, Engineering Review & Permits Unit unless the applicant has otherwise demonstrated financial capability to the satisfaction of the Department.

H. Reporting Requirements

1. Reporting Location

Signed copies of all reports required herein shall be submitted to the Department

Arizona Department of Environmental Quality
Inspections, Compliance & Enforcement Unit
3033 N. Central Ave.
Phoenix, Arizona 85012
Phone Number: (602) 207-4675

2. Monitoring Reporting

- a. The permittee shall complete the Self-Monitoring Report and Documentation Form provided by the Department to reflect facility inspection requirements designated in PART IV, TABLE II and submit to the ADEQ, Inspections, Compliance & Enforcement Unit quarterly along with other reports required by this permit. Facility inspection reports shall be submitted no less frequently than quarterly, regardless of operational status.
- b. PART IV, TABLE I contains the frequency for reporting results from discharge monitoring requirements. Results shall be submitted in the Self-Monitoring Report Form. Monitoring methods shall be recorded and any deviations from the methods and frequencies prescribed in this permit shall be reported.
- c. The permittee shall complete the Self-Monitoring Report Forms, to be supplied by the Department, to the extent that the information reported may be entered on the form. The results of all monitoring required by this permit shall be submitted in such a format as to allow direct comparison with the limitations and requirements of the permit.

3. Permit Violation or Alert Level Exceedance Reporting

- a. The permittee shall notify the ADEQ, Inspections, Compliance & Enforcement Unit within five days of becoming aware of a violation of any permit condition or an Alert Level having been exceeded.
- b. The permittee shall submit a written report within 30 days after becoming aware of the violation of a permit condition or of an Alert Level having been exceeded. The report shall document all the following:
 - (1) A description of the violation and its cause;
 - (2) the period of violation, including exact date(s) and time(s), if known, and the anticipated time period during which the violation is expected to continue;
 - (3) any action taken or planned to mitigate the effects or the violation, or to eliminate or prevent recurrence of the violation;

- (4) any monitoring activity or other information which indicates that any pollutants would be reasonably expected to cause a violation of an Aquifer Water Quality Standard; and
- (5) any malfunction or failure of pollution control devices or other equipment or process.

4. Modification Reporting

- a. All requests for permit modifications shall be done according to PART VI.H.3., unless otherwise specified in this permit.
- b. Requests for a major modification to a facility (as defined in PART V.C.24.) shall be submitted at least 180 calendar days before making the major modification.

5. Operational Reporting

- a. The permittee shall report operational conditions listed in PART IV, TABLE III in the Self-Monitoring Report form quarterly. If none of the conditions occur, the report shall say "no event" for a particular reporting period. If the facility is not in operation, the permittee shall indicate that fact in the Self-Monitoring Report.
- b. The permittee shall submit data required in PART IV, TABLES I through III regardless of the operating status of the facility unless otherwise approved by the Department or allowed in this permit.

6. Self-Monitoring Reports

The Self-Monitoring Report shall include: Copies of laboratory analysis forms, documentation on sampling date and time, name of sampler, sampling method, analytical method, method detection limit, date of analysis, preservation and transportation procedures, and analytical facility. For well samples include static water level prior to sampling, purging volume and indicator parameters. Data shall be compiled on standardized forms which allow comparison with past reports.

- 7. Samples taken report due by:**

Samples taken during quarter beginning	Quarterly Report due by
Jan	Apr 28
Apr	Jul 28
Jul	Oct 28
Oct	Jan 28

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PART III. OTHER CONDITIONS

A. Analytical Methodology

The water samples shall be analyzed using EPA approved methods or Arizona State approved methods listed in PART IV, TABLE I. The analysis shall be performed by a laboratory licensed by the Arizona Department of Health Services, Office of Laboratory Licensure & Certification. For results to be considered valid, all analytical work shall meet quality control standards specified in the approved methods. A list of certified laboratories can be obtained at the address listed below:

Arizona Department of Health Services
Office of Laboratory Licensure & Certification
3443 North Central Avenue
Phoenix, Arizona 85012
Phone Number: (602) 255-3454

B. Environmental Laboratory Contact

Upon submittal of the samples to a state-certified laboratory for analysis, a copy of the signed permit shall be forwarded to the laboratory for reference.

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PART IV. TABLES

**TABLE I
DISCHARGE MONITORING**

Sampling Point Number	Identification	Latitude	Longitude
1	Discharge from the plant after disinfection and filtration	33° 14' 38.2" N	111° 33' 17" W

Parameter	AL	DL ¹ ,	Analytical Method ²	Sampling Frequency ³	Reporting Frequency
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Flow	N/A ⁴	.075 MGD ⁵	N/A	Daily	Yearly
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Bacteria:

total coliform	N/A	200CFU ⁶	see footnote #2	Monthly	Yearly
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Nutrients:

Total Nitrogen ⁷	8.0	10 mg/l		Monthly	Yearly
Nitrate/Nitrite	8.0	"	EPA 352.1	"	"
Total Kjeldahl Nitrogen (TKN)	8.0	"	EPA 351.1	"	"

Metals:⁸

Antimony	0.0048	0.006		Yearly	Yearly
Arsenic	0.040	0.05	EPA 206.2	"	"
Barium	1.60	2.00	EPA 208.2	"	"
Beryllium	0.0032	0.004		"	"
Cadmium	0.004	0.005	EPA 213.2	"	"
Chromium	0.08	0.1	EPA 218.2	"	"
Lead	0.040	0.05	EPA 239.2	"	"
Mercury	0.0016	0.002	EPA 245.2	"	"
Nickel	0.08	0.1		"	"
Selenium	0.040	0.05	EPA 270.2	"	"

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¹ All Discharge Limits in this table are listed in mg/l except flow, which is in million gallons per day (MGD).

² The permittee may use any EPA approved analytical method, or any other method recognized by the ADHS Laboratory Licensure Rules for each parameter required by this permit as long as the substituted method provides detection limits which are equal to, or lower than the limits of the parameters specified in this permit. ADEQ reserves the right to determine the adequacy of laboratory results based upon the achieved detection limits.

³ Sample frequency for total metals shall be once per quarter regardless of point of discharge.

⁴ N/A = Not Applicable.

⁵ Million gallons per day calculated on an annual average daily flow based on monthly average.

⁶ CFU = Colony Forming Units present in a 100 ml sample. 200CFU shall be calculated as the geometric mean for the five most recent samples.

⁷ Total Nitrogen is equal to Nitrate-Nitrite-N plus TKN.

⁸ All Metals indicated in this permit are total metals.

TABLE II.A and TABLE II.B
AMBIENT MONITORING AND
GROUNDWATER MONITORING
(NOT REQUIRED)

TABLE II
FACILITY INSPECTION

Parameter	Performance Levels	Inspection Frequency
Berm Integrity	No Visible Erosion	Monthly
Pump Integrity	Good working condition	Weekly
Free Board in Ponds	Minimum of 3 feet	Monthly
Treatment Plant Components	Good working condition	Weekly

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**TABLE III
 OPERATIONAL REPORTING SUMMARY**

Operational Condition	Specific Reference for Necessary Action
Alert Level or Discharge Limit Exceedance	PART II.C.1.a
Groundwater Alert Level Exceedance (if required by PART II.C.1.a.5)	PART II.C.1.a
Aquifer Quality Level Violation (if required by PART II.C.1.a.5)	PART II.C.1.a
Accidental Discharge	PART II.C.3
Emergency Response	PART II.C.2.c
Temporary Cessation	PART II.D
Closure	PART II.E
Post-Closure	PART II.F
Major Modification to Facility	PART II.H.4.b
Modification to Permit	PART VI.H.3
Change in Owner or Operator	PART VI.H.4
Bankruptcy or Environmental Enforcement Against the Permittee	PART VI.C

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PART V. REFERENCES: PERTINENT INFORMATION

A. References

The terms and conditions set forth in this permit have been developed based upon the information contained in the following:

1. Field Inspection Form(s) dated _____
2. Permit Application dated: January 13, 1995
3. Aquifer Impact Review dated: March 14, 1995
4. Plan Review File Number: 940671
5. Plan Approval by Plan Review & Permits dated _____
6. Amendments to above No. 2 dated _____
7. Public Notice dated _____
8. Public Hearing comments, correspondence and any additional supplemental information contained in the permit file.

9. Other _____

B. Facility Information

1. Facility Contact Person: Scott Larson
2. Address: 21442 N. 20th Ave, Phoenix, AZ 85027
3. Emergency Telephone Number: 602/562-0760

The Department shall be notified within 30 days of any change in facility contact person.

4. Landowner of Facility Site: D.J.S.P.-L.L.C.
Address: 7902 N. Black Canyon Highway, Suite 110
Phoenix, AZ 85051

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C. Definitions

1. "Alert Level (AL)" means a numeric value, expressing either a concentration of a pollutant or a physical or chemical property of a pollutant, which is established in an individual Aquifer Protection Permit and which serves as an early warning indicating a potential violation of either an Aquifer Water Quality Standard at the applicable point of compliance, or any permit condition.
2. "Applicant" means the owner or operator of the facility.
3. "Aquifer Protection Permit (APP)" means an individual, or general permit issued pursuant to A.R.S. Section 49-203 and 49-241 through 251, and A.A.C. R18-9-101 et seq.
4. "Aquifer Quality Limit (AQL)" means the maximum amount of a given constituent which the permit conditions allow in the aquifer at the point of compliance.
5. "Aquifer Water Quality Standard" means a standard established pursuant to A.R.S. Section 49-221 and 49-223.
6. "Areal composite sample" means a set of samples collected from an area and combined into a single sample. The number and spacing shall be representative of the quality of the accumulated material.
7. "BADCT" means the Best Available Demonstrated Control Technology, processes, operating methods, or other alternatives to achieve the greatest degree of discharge reduction determined for a facility by the Director pursuant to A.R.S. Section 49-243.B and D.
8. "Chain of Custody Form" is used to maintain and document sample possession for enforcement purposes (User's Guide to the EPA Contract Laboratory Program).
9. "Department" means the Department of Environmental Quality.
10. "Director" means the Director of Environmental Quality or the Director's designee.
11. "Discharge" means, for purposes of the aquifer protection permit program described by A.R.S. Title 49, Chapter 2, Article 3, the addition of a pollutant from a facility either directly to an aquifer or the land surface or the vadose zone in such a manner that there is a reasonable probability that the pollutant will reach an aquifer.
12. "Discharge Impact Area" means the potential areal extent of pollutant migration, as projected on the land surface, as the result of a discharge from a facility.
13. "Discharge Limitation (DL)" means any restriction, prohibition, limitation or criteria established by the Director, through a rule, permit or order, on quantities, characteristics of pollutants.
14. "Drywell" has the meaning ascribed to it in A.R.S. Section 49-331.3.
15. "Environment" means navigable waters, any other surface water, groundwater, drinking water supply, land surface, subsurface strata or ambient air, within or bordering on this state.

16. "Exceedance" means violation of environmental protection standards by exceeding allowable limits or concentration levels.
17. "Existing facility" means a facility on which construction began before September 26, 1989 and which is neither a new facility nor a closed facility. For purposes of this definition construction on a facility has begun if the facility owner or operator has either:
- a. Begun, or cause to begin, as part of a continuous on-site construction program any placement, assembly or installation of a building, structure or equipment; or
 - b. Entered a binding contractual obligation to purchase a building, structure or equipment which is intended to be used in its operation within a reasonable time. Options to purchase or contracts which can be terminated or modified without substantial loss, and contracts for feasibility engineering and design studies, do not constitute a contractual obligation for purposes of this definition.
18. "Facility" means any land, building, installation, structure, equipment, device, conveyance, area, source activity or practice from which there is, or with reasonable probability may be, a discharge.
19. "Groundwater Quality Protection Permit" means a permit issued by the Arizona Department of Health Services or the Department pursuant to A.R.S. R9-20-208 prior to September 26, 1989.
20. "Hazardous substance" means:
- a. Any substance designated pursuant to Section 311(b)(2)(a) and 307(a) of the Clean Water Act;
 - b. any element, compound, mixture solution or substance designated pursuant to Section 102 of CERCLA;
 - c. any hazardous waste having the characteristics identified under or listed pursuant to A.R.S. 49-922;
 - d. any hazardous air pollutant listed under 112 of the Federal Clean Air Act (42 United States Code Section 7412);
 - e. any imminently hazardous chemical substance or mixture with respect to which the administrator has taken action pursuant to Section 7 of the Federal Toxic Substances Control Act (15 United States Code Section 2606); and
 - f. any substance which the Director, by rule, either designates as a hazardous substance following the designation of the substance by the Administrator under the authority described in subdivisions (a) through (e) of this paragraph or designates as a hazardous substance on the basis of a determination that such a substance represents an imminent and substantial endangerment to public health.

21. "Inert material" means that which is insoluble in water and will not decompose or leach substances to water, such as broken concrete, brick, rock, gravel, sand, uncontaminated soils.
22. "Injection well" means a well which receives a discharge through pressure injection or gravity flow.
23. "mg/l" means milligrams per liter.
24. "Major Modification(s) to a Facility" means any of the following:
- a. A physical change in an existing facility or change in its method of operation that results in a significant alteration in the characteristics or volume of the pollutants discharged.
 - b. The addition of a process or major piece of production equipment, building or structure that is physically separated from the existing operation and that causes a discharge.
25. "NPDES Permit" means a permit issued by the United States Environmental Protection Agency for discharge to the waters of the United States as required by the Clean Water Act, as amended.
26. "New Facility" means a previously closed facility that resumes operation or a facility on which construction was begun after the effective date of this chapter on a site at which no other facility is located or to totally replace the process or production equipment that causes the discharge from an existing facility. A major modification to an existing facility is deemed a new facility to the extent that the criteria in A.R.S. 49-243, subsection B, paragraph 1 can be practicably applied to such modification.
27. "Operator" means any person who makes management decisions regarding facility operations governed by this permit.
28. "Owner" means any person holding legal or equitable title in any real property subject to this permit.
29. "Point of Compliance" means the designated point or points as determined by the Director pursuant to A.R.S. Title 49, Section 244.
30. "Pollutant" means fluids, contaminants, toxic wastes, toxic pollutants, dredged spoil, solid waste, substances and chemicals, pesticides, herbicides, fertilizers and other agricultural chemicals, incinerator residue, sewage, garbage, sewage sludge, munitions, petroleum products, chemical wastes, biological materials, radioactive materials, heat, wrecked or discarded equipment, rock, sand, cellar dirt and mining, industrial, municipal and agricultural wastes or any other liquid, solid, gaseous or hazardous substances.
31. "Recharge project" has the meaning ascribed to it A.R.S. Section 45-651.5.
32. "Regulation" means A.A.C. Title 18, Chapter 9, Article 1, requirements for facilities affecting aquifer water quality.

- 33. "Sewage" means wastes from toilets, baths, sinks, lavatories, laundries, and other plumbing fixtures in residences, institutions, public and business building, mobile homes, watercraft, and other places of human habitation, employment, or recreation.
- 34. "Sewage disposal system" means a system for a sewage collection, treatment and discharge by surface or underground methods.
- 35. "Surface impoundment" means a pit, pond or lagoon, having a surface dimension that is equal to or greater than its depth, which is used for the storage, holding, settling, treatment or discharge of liquid pollutants containing free liquids.
- 36. "Temporary cessation" means any cessation or operation of a facility for a period of greater than 60 days but which is not intended to be permanent.
- 37. "Toxic pollutant" means a substance that will cause significant adverse reactions if ingested in drinking water. Significant adverse reactions are reactions that may indicate a tendency of a substance or mixture to cause long-lasting or irreversible damage to human health.
- 38. "ug/l" means micrograms per liter.
- 39. "Underground storage and recovery project" has the meaning ascribed to it in A.R.S. Section 45-802.6.
- 40. "Vadose zone" means the zone between the ground surface and any aquifer.
- 41. "Well" means a bored, drilled or driven shaft, pit or hole whose depth is greater than its largest surface dimension.

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PART VI. GENERAL CONDITIONS: RESPONSIBILITIES

A. Preservation of Rights

This permit shall not be construed to abridge or alter causes or action or remedies under the common law or statutory law, criminal or civil, nor shall any provision of this permit, or any act done by virtue of this permit, be construed so as to stop any person, this State or any political subdivision of this site, or owners or land having groundwater or surface water rights or otherwise, from exercising their rights or, under the common law or statutory law, from suppressing nuisances or preventing injury due to discharges.

B. Monitoring Requirements

The permittee shall conduct any monitoring activity necessary to assure compliance with any permit condition, with Aquifer Water Quality Standards, and with A.R.S. 49-241 through 49-251:

1. The permittee shall install, use and maintain all monitoring equipment in acceptable condition or provide alternate methods approved by the Department; and
2. the permittee is required to conduct monitoring of a type and frequency sufficient to yield data, which are representative of the monitored activity and approved by the Department.

C. Reporting of Bankruptcy or Environmental Enforcement

The permittee shall notify the ADEQ, Inspections, Compliance & Enforcement Unit within five (5) days after the occurrence of either:

1. The filing of bankruptcy by the permittee; or
2. the entry or any order or judgement against the permittee for the enforcement of any environmental protection statute and in which monetary damages or civil penalties are imposed.

D. Site Examination

1. On presentation of credentials, the Department may, if reasonably necessary, inspect the facility or an activity used for the generation, storage, treatment, collection or disposal of any waste or pollutant, and where records are kept for the purpose of ensuring compliance with A.R.S. Title 49, Chapter 2, A.A.C. R18-9-101 through 130 and this permit, or to verify information submitted in a permit application, or documented in a permit including any permit conditions.
2. The Department may:
 - a. Obtain samples;

- b. analyze or cause to be analyzed any samples either on-site or at another location;
 - c. take photographs;
 - d. inspect equipment, activities, facilities and monitoring equipment or methods of monitoring; or
 - e. inspect and copy any records required to be maintained.
3. Any pertinent information required by the permit shall be available for on-site inspection during normal business hours. The owner or operator of the property shall be afforded the opportunity to accompany a Department inspector. Split samples, receipts, and copies of photographs will be provided to the facility owner or operator if the owner or operator requests them at the time the sample(s) is (are) obtained or the photograph(s) is (are) taken as the case may be. A copy of the results of any analyses made of samples, monitoring, or testing shall be furnished promptly to the owner or operator.
4. Inspections shall be conducted pursuant to the appropriate provisions of the Arizona Revised Statutes.

E. Proper Operation

1. The permittee shall at all times operate the facility so as to ensure the greatest degree of discharge reduction achievable through application of the best available demonstrated control technology, processes, operation methods or other alternatives, including, where practicable, no discharge of pollutants as determined in the application process.
2. The permittee shall operate the facility to ensure that pollutants discharged will in no event cause or contribute to a violation of aquifer water quality standards at the applicable point of compliance for the facility, or that no pollutants discharged will further degrade, at the applicable point of compliance, the quality of any aquifer, that already violates the aquifer quality standard for that pollutant.

F. Technical and Financial Capability

1. The permittee shall maintain the technical and financial capability necessary to fully carry out the terms of this permit.
2. Any bond, insurance policy or trust fund provided as a demonstration of financial capability in the permit application (R18-9-108.8.c.iii.) shall be in effect prior to any activity authorized by this permit and remain in effect for the duration of the permit.

G. Other Rules and Laws

The issuance of this permit does not waive any federal, state, county or local government rules, regulations or permits applicable to this facility.

H. Permit Actions

1. This permit may be modified, transferred, renewed or revoked under the rules of the Department. The filing of a request by the permittee for a permit action does not stay any existing permit condition.
2. The Director shall issue a public notice of all proposed permit actions pursuant to R18-9-124.
3. **Permit Modification**
 - a. Request for modification of a permit shall be made in writing by the permittee, the Department, or any affected person, and shall identify the specific item(s) to be considered for modification and the facts and reasons which justify the request.
 - b. The permittee may be required to submit additional information pursuant to A.A.C. R18-9-108, including an updated permit application.
 - c. The Director may modify an individual Aquifer Protection Permit if the Director determines any one or more of the following:
 - (1) That material and substantial alterations or additions to a permitted facility justify a change in permit conditions;
 - (2) that the discharge from the facility violates or could reasonably be expected to violate any Aquifer Water Quality Standard;
 - (3) that rule or statutory changes have occurred, such as to require a change in the permit; and/or
 - (4) that there has been a change of an applicable point of compliance.
 - d. With written concurrence of the permittee, the Department may make minor modifications to a permit for any of the following reasons without giving public notice or conducting a public hearing:
 - (1) To correct typographical errors;
 - (2) increase the frequency of monitoring or reporting;
 - (3) change an interim compliance date in a compliance schedule if the permittee can show just cause and that the new date does not interfere with the attainment of a final compliance date requirement;

- (4) change construction requirements, if the alteration complies with the requirements of these rules and provides equal or better performance; or
- (5) replace monitoring equipment, including wells, if such replacement results in equal or greater monitoring effectiveness.

4. Permit Transfer

- a. The Director may transfer an individual Aquifer Protection Permit if the Director determines that the proposed transferee will comply with A.R.S. 49-241 through 49-251 and A.A.C. Chapter 9, Article 1, regardless of whether the permittee has sold or otherwise disposed of the facility, until the Director transfers the permit.
- b. The proposed transfer or and the transferee shall notify the Department within ten days after any change in the owner or operator of the facility. The notice shall include the name and signature of the transferor owner or operator, the name and signature of the transferee owner or operator; and the name and location of the facility.
- c. Information required in R18-9-10, A.1, 2, 3 and 6; B.7, 8, and 9; and D. shall be submitted about the transferee prior to transfer of the permit.

5. Permit Revocation and Suspension

The Director may suspend or revoke this permit for any of the following reasons:

- a. Noncompliance by the permittee with any applicable provision of Title 49, Chapter 2, Article 3 or the Arizona Revised Statutes, A.A.C. Title 18, Chapter 9, Article 1 or permit conditions;
- b. the permittee's misrepresentation or omission of any fact, information or data related to the permit application or permit;
- c. the Director determines that the permitted activity is causing or may cause a violation of any Aquifer Water Quality Standard; or
- d. a permitted discharge has the potential to cause or will cause imminent and substantial endangerment to public health or the environment.

I. Confidentiality of Information

1. Any information submitted to or obtained by the Department pursuant to A.R.S. 49-243 may be available to the public unless it is designated confidential. Information or a particular part of the information shall be considered confidential on either:
 - a. A showing, satisfactory to the Director, by any person that the information, or a particular part of the information, if made public, would divulge the trade secrets of the person; or
 - b. a determination by the attorney general that disclosure of the information or a particular part of the information would be detrimental to an ongoing criminal investigation or to an ongoing or contemplated civil enforcement action under A.R.S. Title 49, Chapter 2 in Superior Court.
2. **Criteria for Determining Confidentiality**
 - a. A confidentiality claim has been made at the time the information was submitted or obtained;
 - b. the facility owner or operator has shown that reasonable measures have been taken to protect the confidentiality of the information and intends to continue to take such measures;
 - c. the information is not, and has not been, reasonably obtainable without the facility owner or operator's consent by persons other than governmental bodies by use of legitimate means, other than discovery based on a showing of special need in a judicial or quasi-judicial proceeding;
 - d. no statute or rule specifically requires disclosure of the information; and
 - e. the facility owner or operator has shown that disclosure of the information is likely to cause harm to its competitive position.
3. Financial information required in the permit or permit application will be held confidential. Notwithstanding, the Director may disclose any records, reports or information obtained from any person in regard to this permit, including records, reports or information obtained by the Director or Department employees, to:
 - a. Other state employees concerned with administering A.R.S. Title 49, Chapter 2, or if the records, reports or information are relevant to any administrative or judicial proceeding under that chapter; and/or
 - b. employees of the United States Environmental Protection Agency, if such information is necessary or required to administer and implement or comply with the Clean Water

Act, and Safe Drinking Water Act, CERCLA or provisions and regulations relating to those acts.

4. Claims of confidentiality for the following information shall be denied:
- a. The name and address of any permit applicant or permittee;
 - b. the chemical constituents, concentrations and amounts of any pollutant discharge; or
 - c. the existence or level of a concentration of a pollutant in drinking water or in the environment.

J. Violations; Enforcement

Any person who owns or operates a facility contrary to the provisions of A.R.S. Title 49, Chapter 2, who violates the conditions specified in the A.A.C. Title 18, Chapter 9, Article 1, or this permit, is subject to the enforcement actions prescribed in A.R.S. Title 49, Chapter 2, Article 4 or the Arizona Revised Statutes.

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PART VII. AQUIFER WATER QUALITY STANDARDS

A. General Standards Applicable to all Aquifers

1. A discharge shall not cause the concentration of a pollutant in an aquifer to exceed at an applicable point of compliance any one of the maximum concentrations prescribed in A.A.C. R18-11-406, unless a higher Aquifer Quality Limit has been established for this permit.
2. A discharge shall not cause a pollutant to be present in an aquifer classified for drinking water protected use in a concentration which endangers human health.
3. A discharge shall not cause a violation of a surface water quality standard established for a navigable water of the State.
4. A discharge shall not cause a pollutant to be present in an aquifer which impairs existing or reasonably foreseeable uses of water in an aquifer.

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Corporation

220 Malibu Street
Castle Rock, Colorado 80104

Phone: (303) 660-9211

Fax: (303) 660-2180

Web: www.santeccorporation.com

FACSIMILE TRANSMITTAL SHEET

To:

Maxine Leather

From:

Daniel Dow

FAX NUMBER:

(520) 689-5020

Date:

February 26, 2002

COMPANY:

CAAG

TOTAL NO. OF PAGES INCLUDING COVER:

3

PHONE NUMBER:

SENDER'S REFERENCE NUMBER:

Re:

Links @ Queen Creek

YOUR REFERENCE NUMBER:

☐ URGENT ☐ FOR REVIEW ☐ PLEASE COMMENT ☐ PLEASE REPLY ☐ PLEASE RECYCLE

NOTES/COMMENTS:

Maxine,

Cover page and page one of the submittal package for the Links@ Queen Creek project.

To date, Santec Corporation has installed phase one (37,500 gpd) of this facility.

We have no information regarding modifications that have may have been made to the system and therefore have no information on the current capacity of the system.

Please give me a call if you have additional questions.

Dan

SUBMITTAL PACKAGE

PREPARED FOR:

**THE LINKS @ QUEEN CREEK
PINAL COUNTY, ARIZONA**

**SANTEC CORPORATION
220 MALIBU ST.
CASTLE ROCK, COLORADO 80104**

This Package Contains Proprietary Information

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SUBMITTAL
THE LINKS @ QUEEN CREEK / D.J.S.P., L.L.C.

ENGINEER
AMERICAN ENGINEERING
SCOTT LARSON, P.E.
21442 NORTH 20TH AVENUE
PHOENIX, ARIZONA 85027

JOB NAME
OCOTILLO & VINEYARD, PHASE I

JOB LOCATION
PINAL COUNTY, ARIZONA

ATTENTION OF
RON KOHNER

JOBSITE ELEVATION
APPROX. 1,490 FT, MSL

SANTEC CORPORATION HAS CONTRACTED WITH THE LINKS @ QUEEN CREEK / D.J.S.P., L.L.C. TO PROVIDE A WASTEWATER TREATMENT FACILITY DESIGNED TO TREAT 37,500 GPD AND 63.7 LBS. OF BOD₅ PER DAY. THE FACILITY IS EXPANDABLE TO 75,000 GPD AND 137.4 LBS. OF BOD₅ PER DAY.

THE TREATMENT FACILITY IS DESIGNED ACCORDING TO THE ENCLOSED DESCRIPTIONS, SPECIFICATIONS, AND CALCULATIONS:

SANTEC CORPORATION
10-26-94

WASTEWATER FACILITIES SUBMITTAL
PAGE 1

220 Malibu Street Castle Rock, Colorado 80104 Phone (303) 660-9211 Fax (303) 660-2180

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1-800-782-1445

TDD:
(520) 689-5009

FAX:
(520) 689-5020

Regional Council

Minutes - February 27, 2002

Page

1

Draft Minutes

Regional Council Meeting

Wednesday, February 27, 2002

One Stop Office Conference Room

230 Main Street

Superior, Arizona

GILA-PINAL
COUNTIES



REGION V

GILA COUNTY

■ GLOBE

HAYDEN

MIAMI

PAYSON

WINKELMAN

PINAL COUNTY

■ APACHE JUNCTION

CASA GRANDE

COOLIDGE

ELOY

FLORENCE

KEARNY

MAMMOTH

QUEEN CREEK

SUPERIOR

MINUTES

I. CALL TO ORDER

Chair Joe Sanchez called the meeting to order at 6:40 PM by asking for the roll call.

Members Present: Mayor Charles Walton, Councilmember Henry Martin for Mayor Debra Sommers, Mayor Elias Garcia, Councilmember Dave Johnston for Councilmember William Heath, Vice-Mayor Anita Hinojos, Mayor Stanley Gibson, Councilmember Byron Jackson, Councilmember R.E. Eck for Mayor Douglas Coleman, Councilmember Tom Rankin for Mayor Patsy Williams, Supervisor Joe Sanchez, Supervisor Lionel Ruiz, Vice-Mayor Paul Prechel, Mayor John Mendibles

Members Absent: Mayor Joe Aranda, Mayor Goff, Vice-Mayor Wolfe,

Management Committee: Terry Doolittle, Ken Buchanan, and Gary Eide

Guests Present: Michael Denby, Stanley Griffis, Sandie Smith,

Staff Present: Garye Vasquez, Maxine Leather, Brent Billingsley, and Mila Besich-Lira

A quorum was established.

II. EXECUTIVE SESSION

A. Legal Matters/Consultation with CAAGs' Attorney Pursuant to ARS 38-431.03 (A)(3) Regarding Agenda Item Number IV

Chairman Sanchez opened the discussion by asking to begin with agenda item IV.

IV. Consideration, Discussion and Possible Action Concerning CAAGs' 1994 208 Areawide Water Quality Management Plan Update Provisions for the Links at Ocotillo and Vinyard Roads Regarding a Possible Typographical Error

Chairman Sanchez asked Ms. Leather to give a history on agenda item IV.

Ms. Leather expressed her appreciation to the Regional Council for attending the meeting.

Ms. Leather updated the Regional Council on the reason the meeting was called. She explained that a typographical error exists in the CAAG 208 Plan Update. She explained the process that took place in July 1994 and the revisions that ADEQ required her to make over the 1994 Fourth of July weekend before the draft 208 Plan Update could go forward to public hearing. Many revisions needed to be completed, including the addition of a paragraph to the plan regarding a new mobile home park, The Links, which was to be developed in the Apache Junction/Queen Creek area. The paragraph that was added is on page 143 of the CAAG 208 Plan Update.

Ms. Leather explained that also in July 1994, the project consultant or developer of the Links came to the CAAG offices, and showed her the maps and renderings for the Links. The first phase of the plan would allow for a 75,000 gallons per day (gpd) wastewater treatment plant (WWTP) with the ability to increase capacity to 150,000 gpd.

Ms. Leather further explained that upon discovering the error sometime after April 2001, she discussed the error in the 208 Plan Update with ADEQ staff who also researched the matter and agreed with her that it was a typo. Ms. Leather had discovered the typo while on the telephone with Mr. Lee of AUSS and at that time he had verbally agreed that it was a typo.

Ms. Leather reviewed with the Regional Council the documents that she had researched.

Ms. Leather reported that now AUSS feels they can expand their current WWTP due to the typographical error. This error would have the effect of overriding the January decision of the Regional Council to deny the two 208 Plan Update amendments from AUSS.

Ms. Leather reported that ADEQ management has overturned their staffs prior agreement of the issue being a typographical error. She also reviewed pages 3 and 4 of the AUSS Amendment No. 2, which was rejected by the Regional Council in January 2002. This document clearly states that the Links WWTP does not have additional capacity or room for expansion beyond 150,000 gpd.

Ms. Leather explained that the Regional Council needed to advise staff on the actions that need to take place, since this is a policy decision. At this time the floor was opened to questions and discussion followed.

Councilmember Eck asked if ADEQ reversed its original decision.

Ms. Leather replied that ADEQ supervisors had reversed the opinion of their staff that she had talked to and referred to the ADEQ letter dated February 26, 2002.

Mayor Gibson asked what the Regional Council needed to do to rectify this situation.

Ms. Leather explained that CAAG needed a policy decision from the Regional Council.

Mayor Walton expressed that it is a typographical error, and that the Regional Council needed to correct the issue.

Mr. Vasquez explained Regional Council's options. One option was to take no action.

Mr. Vasquez further explained the process, which would include direction from the Regional Council for the Executive Director to send a letter to ADEQ and the EPA specifying the error and correcting the typo.

Chair entertained a motion.

Vice Mayor Prechel made a motion to correct the typographical error in CAAGs' 1994 208 Areawide Water Quality Management

Plan Update provision regarding the Links at Ocotillo and Vineyard Roads by correcting Page 143, Chapter 5 Point Source Management, 5.2.2, Package Wastewater Treatment Plants, third paragraph to read as follows:

"The Links at Ocotillo and Vineyard Roads, a planned manufactured housing community south of Apache Junction, is scheduled to begin construction of a package WWTP in December 1994 with a 75,000 gpd capacity with the first anticipated phase capacity increase of 75,000 gpd in February of 1996. Pinal County is in the preliminary planning and engineering stages for expansion."

Mayor Gibson seconded the motion.

Councilmember Johnston made an amendment to the motion to state that the numbers will be written out and no decimals are to be used.

Mayor Mendibles seconded the amendment to the motion

The motion with the amendment was reread. Chair Sanchez called for the vote. The motion with the amendment carried unanimously.

V. ADJOURNMENT

Mayor Gibson made a motion to adjourn the meeting Mayor Garcia seconded the motion. The meeting adjourned at 7:20 p.m.

Approved _____ DAY OF _____, 2002

MBL:mbi

March 7, 2002

Karen Smith
Director Water Quality Division
Arizona Department of Environmental Quality
3033 N. Central
Phoenix, Arizona 85012

Re: February 15, 2002 Letter from Michael Traubert addressing the
Cambria WWTF

Dear Ms. Smith:

On February 15, 2002, Michael Traubert of your Department wrote a letter to Mr. Maurice Lee, Manager of Arizona Utility Supply and Service (AUSS). In Mr. Traubert's letter he asserts that:

ADEQ has reviewed your response letter and is satisfied that the Cambria WWTF has been properly accounted for in 208 Plan requirements as it applies to Pinal County. Please regard this letter as such assurance the ADEQ regards the question of Cambria WWTF Section 208 compliance as resolved.

This conclusion is incorrect for four main reasons:

First, the Cambria WWTF does not have 208 approval. Therefore, it cannot be properly accounted for in the 208 plan.

Second, Cambria WWTF is a facility separate and distinct from the Links WWTF. Therefore, Cambria WWTF is not an expansion of the Links WWTF and cannot be accounted for under the Links WWTF.

Third, the Links does not have a 1.5 MGD capacity as AUSS has argued. CAAG has corrected the typographical error in the 208 Plan and returned the Links to its original stated capacity of .075 MGD. Therefore, the Cambria WWTF cannot be properly accounted for under the Links WWTF.

Fourth, even if Cambria was an expansion of the Links, no 208 amendment has been submitted, let alone approved, for the claimed expansion. Therefore, the Links 208 approval does not apply to the Cambria WWTF.

Consequently, ADEQ should rescind its February 15, 2002 letter and issue a new letter which concludes as the facts show, that construction of the Cambria WWTF was begun without 208 approval and until Cambria WWTF receives 208 approval, it cannot resume construction, let alone operation.

Since the issue of enforcement is generally a discretionary decision by the Department, this letter will not address whether it is proper or not for the Department to take an enforcement action in this case. However, because the question of compliance with the law is a factual question that affects all parties who must proceed through the 208 process, this letter will address what appears to be an oversight on the part of the Department.

The Cambria WWTF does not have 208 approval

The 208 planning process is an important tool in the planning of wastewater service beyond the individual development. Expressing concern about small systems and a desire for larger regional service providers, CAAG Regional Council on January 23, 2002, denied the AUSS 208 amendments to provide sewer service through the partially constructed Cambria WWTF. Accordingly, the Cambria WWTF did not obtain 208 approval. Therefore, the Department's conclusion that "the Cambria WWTF has been properly accounted for in Section 208 Plan requirements" is incorrect.

AUSS sought approval from CAAG and was denied. Since being denied 208 approval, AUSS seems to have tried to sidestep the 208 process for the Cambria WWTF by attempting to tie the Cambria project, which is slated to serve 2,992 new customers, to the 8 year old Links WWTF originally designed and approved to treat 492 mobile homes. As you will see from this letter, the facts just do not support AUSS's position.

Cambria WWTF is not an expansion of the Links WWTF

AUSS has made the argument in its January 25, 2002 letter to ADEQ that the Cambria WWTF is merely an "expansion" of the Links WWTP. There is no support for this argument. The facts in ADEQ's files show that the Cambria facility was intended to be a stand-alone facility, owned by a group of developers separate from the Links Estates.

In March 2001 and again in October 2001, AUSS filed proposed 208 amendments for the Cambria WWTF. In these documents, AUSS asserted that "The

existing facility [the Links] does not have additional capacity or room for expansion beyond the 75,000 gpd. The WWTF is also landlocked, making any expansion very difficult if not impossible." In its proposal for the Cambria 208 amendment, AUSS further stated that "a collection system and interim wastewater treatment facility is proposed to serve each communities [sic] needs separately with the understanding that as development increases all existing and interim wastewater treatment facilities will be removed from service, closed and a permanent connection made to the Regional WWTF."

Curiously, nowhere in the original Cambria 208 proposed amendment or the second proposed amendment does AUSS define the Cambria WWTF as an "expansion" of the Links WWTF. It was only once CAAG Regional Council denied AUSS's 208 amendments that AUSS began to assert the issue of "expansion."

The expansion argument, in fact, is made moot by two additional issues discussed below.

The Links does not have a 1.5 MGD capacity

The capacity of the Links WWTF is .075 MGD. AUSS argued in its January 25, 2002 letter that because of a typographical error in the 208 Plan, the Links WWTF has a capacity of 1.5 MGD. AUSS then appears to argue that because of this large capacity at the Link WWTF, that the Cambria WWTF can be somehow integrated into the Links WWTF. Not only is this argument disingenuous in its attempts to make use of a typographical error to side-step the proper 208 process, it is no longer a plausible argument since the typographical error has been corrected. On February 27, 2002, CAAG, by a unanimous vote corrected the typographical error from .75 MGD to the original capacity of the facility .075 MGD.

The facts supporting this clarification of the proper capacity clearly show that the Links was not approved to be 10 times its designed size. One of the strongest pieces of evidence in this regard was the document faxed from E. Vogan at ADEQ to Mr. Lee on 11/27/01. In that document, entitled "Links Estates Sewage Treatment Plant Engineer's Summary," and date stamped November 22, 1994, the engineer for the Links project states that full development of the Links estates will result in 492 manufactured housing units utilizing 150 gallons per day. Totaled, these numbers result in a combined expected flow of 73,800 gallons per day, which seems far more in-line with 75,000 gpd than it does with 750,000 gpd. Additionally, in an April 19, 1995 Notice of the Preliminary Decision to Issue an Individual Aquifer Protection Permit, issued by the Department it states that the plant will serve the Links Estates Mobile Home Subdivision with a capacity to treat 75,000 gallons per day.

With such uncontested information setting forth the stated capacity of the Links WWTF, it makes no sense why CAAG would unilaterally decide to give the Links WWTF a discretionary 10-fold increase in capacity. AUSS has offered one piece of information, a November 2001 letter from an engineer, to support the .75 MGD number found in the 208 Plan. No documents concurrent in time with the recollections of the engineer are provided.

One final piece of information critical to the true capacity of the Links WWTF and the intent of AUSS is the April 2001, letter from CAAG to Maurice Lee of AUSS quoting language from the CAAG 208 Plan. In that letter, CAAG quotes the paragraph in the 208 Plan that relates to the Links WWTF. That paragraph contained the same typographical error and indicates that the capacity of the Links WWTF is 750,000 gpd. If Cambria WWTF was actually an extension of the Links WWTF and its capacity was 1.5 MGD, why then did AUSS in its second amendment to the 208 in October 2001, fail to mention that the capacity of the Links was actually 10 times larger than originally claimed?

Even if Cambria was an expansion of the Links, no 208 amendment has been submitted, let alone approved, for the claimed expansion

AUSS claims in its January 25, 2002 letter that Cambria WWTF is an "expansion" of the existing Links WWTF. This is a distinction without a difference. Pursuant to R18-5-303 "All sewage treatment facilities, **including an expansion of a facility**, shall, before construction, conform with the Certified Areawide Water Quality Management Plan, Facility Plan, and General Plans." (emphasis added). Neither AUSS nor the Links has applied for an amendment to the 208 plan prior to construction of the Cambria WWTF "expansion."

Furthermore, nowhere in the 208 Plan does it mention anything about the Links WWTF serving the Cambria subdivision. The Links is described as a facility designed to serve a planned manufactured housing community at 150 gpd flow rates. The Cambria subdivision is not a manufactured housing community and has estimated that it will generate flows of 350 gpd. According to the proposed 208 amendment, AUSS claims that the Cambria facility will serve 2,992 people, which is substantially different than the 492 units under the existing Links WWTF.

At page 220 of the CAAG 208 Areawide Water Quality Management Plan Update 1994, Section 8.4.1, it states that "Amendments to the region's Water Quality Management Plan may be required for any of the following: ... 3. When changes occur in the service area, planning area boundaries and/or population figures used in the current Waste Water Treatment Facility (WWTF) plans or WQM Plan; ... 5) Construction activities or expansion of existing WWTFs and changes in effluent discharge methods and/or quality of the effluent discharged." The facts of this case

clearly indicate that a 208 amendment is necessary before the construction of any new facility, regardless of whether it is called an "expansion" or not.

It is worth noting that the Links WWTF has been and continues to be out of compliance with the 208 Plan since at least August of 2001 when it began receiving sewer flows from the Cambria development. Under oath at a Corporation Commission hearing, Mr. Lee, Manager of AUSS testified that there is a sewage line connecting the new Cambria subdivision to the existing Links WWTF. The records show that neither AUSS nor the Links WWTF filed an amendment to the Links WWTF 208 approval. Pursuant to the CAAG requirements and R18-5-303, the Links WWTF cannot accept sewer flows from this new subdivision without amending its 208, but for some reason has been allowed to do just that.

Conclusion

In conclusion, it would appear that the February 15, 2002 letter from ADEQ is in error and should be corrected. Please understand that the impacts of the February 15, 2002 letter go far beyond the seemingly simple conclusion reached by the Department. For instance, the letter appears to indicate that AUSS does not need 208 approval in order to build or operate the Cambria WWTF. This is directly in contradiction with the January vote by CAAG Regional Council to deny the Cambria 208 amendments. Additionally, AUSS has already used the Department's letter as confirmation to other regulatory entities that AUSS has 208 Plan approval for Cambria (see attachment). These conclusions confuse the 208 process and create an uneven playing field for other parties who are required to obtain 208 approval.

Development in Arizona plays a large roll in the State's economy. Generally speaking, sewer and utility providers are very much in support of continued development. It is our understanding that CAAG and Pinal County are also very much in support of development and their recent actions have been aimed at better controlling development, not preventing it. The Department has raised concerns about the impacts of the Cambria 208 denial and the typographical error correction on the capacity and volume for wastewater treatment in this area. We would be happy to meet with the Department to discuss the issue further and see what solutions may work to expedite development in the area while maintaining the integrity of the permitting and approval process.

Sincerely,



Michael L. Denby

MLD/mld
Attachment

cc: Michael Traubert, Manager, Compliance Section, Water Quality, ADEQ
Linda Taunt, Manager, Hydrological Support & Assessment, ADEQ
Richard Bark, Gallagher & Kennedy
George Tsiolis, Snell & Wilmer

Snell & Wilmer
LLP
LAW OFFICES

One Arizona Center
Phoenix, Arizona 85004-2202
(602) 382-6000
Fax: (602) 382-6070
www.swlaw.com

Jeffrey W. Crockett (602) 382-6234
jcrockett@swlaw.com

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Ms. Nancy Cole, Supervisor
Docket Control
ARIZONA CORPORATION COMMISSION
1200 West Washington
Phoenix, Arizona 85007

Arizona Corporation Commission
DOCKETED

MAR 01 2002

DOCKETED BY	
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Re: *In the Matter of the Application of Arizona Utility Supply & Services, LLC, for a Certificate of Convenience and Necessity to Provide Sewer Service to Portions of Pinal County, Arizona (Docket Nos. SW-04002A-01-0228 and WS-02987A-01-0295(Consolidated))*

Dear Nancy:

On February 22, 2002, Arizona Utility Supply & Services, LLC ("AZUSS"), submitted a filing in compliance with the Arizona Corporation Commission's Decision No. 64288. In that decision, AZUSS was required to satisfy several conditions set forth in various Findings of Fact ("FOF"). In its February 22 filing, AZUSS submitted a copy of a February 15, 2002, letter from Michael J. Traubert of the Arizona Department of Environmental Quality (Compliance Section, Water Quality Division) ("ADEQ") to Maurice Lee of AZUSS. An additional copy of ADEQ's letter is enclosed. In that letter, Mr. Traubert states as follows:

ADEQ has reviewed your response letter and is satisfied that the Cambria WWTF has been properly accounted for in Section 208 Plan requirements as it applies to Pinal County. Please regard this letter as such assurance the ADEQ regards the question of Cambria WWTF Section 208 compliance as resolved.

AZUSS submitted the ADEQ letter as evidence of its satisfaction of the condition set forth in FOF 77 that AZUSS has complied with the 208 planning requirement. In supplement to its February 22 filing, AZUSS is submitting twelve copies of certain excerpts¹ from the Central Arizona Association of Governments 208 Areawide Water Quality Management Plan (1994 Update) (the "208 Plan"). These excerpts specifically reference the Links at Ocotillo wastewater treatment plant, authorizing an initial capacity of 750,000 gallons per day and an expanded

¹ I have not included a complete copy of the 208 Plan because of its length (226 pages exclusive of attachments). However, if the Commission requests a complete copy of the 208 Plan, AZUSS will file a copy.

Ms. Nancy Cole
Docket Control
March 1, 2002
Page 2

capacity up to 1,500,000 gallons per day. The Cambria wastewater treatment plant referenced in ADEQ's letter is the expansion of the Links plant referenced in the 208 Plan.

Pursuant to Arizona Administrative Code R18-5-303, ADEQ determines whether a sewage treatment facility or expansion of that facility conforms with the relevant areawide water quality management plan. Mr. Traubert made this determination on behalf of ADEQ in his February 15 letter referenced above. Thus, AZUSS has fully complied with the requirement of FOF 77. A copy of R18-5-303 is enclosed.

Please file this letter and the enclosures in the above-captioned docket. As always, if you have any questions regarding this compliance filing, please contact me at the direct line listed above.

Very truly yours,

SNELL & WILMER



Jeffrey W. Crockett

JWC:gdb
cc (with enclosures): Marc Stern
Jim Fisher
Pat Williams
Maury Lee

Enclosures

Crocketj\PHX\1146096.1